

**<ADMINISTRATIVE RESTRUCTURING AS A STRATEGY OF
URBAN GOVERNANCE IN CHINA: MOTIVATIONS, PROCESSES,
AND IMPACTS>**

By

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ABSTRACT

Since the initiation of economic reform in 1978, a large number of Chinese cities have experienced significant administrative restructuring processes, which mainly include city administering counties, county-to-city upgrading, annexation of sub-urban counties, and urban districts reconfiguration. They not only imply spatial reorganisation in a certain area and physical transformation of built environment, but also bring profound social, economic, and political changes to the affected region. Despite the debate on its calculation and reliability, China's urbanisation rate increased to 56.1% in 2015, according to a public report released by the National Bureau of Statistics of China in early 2016 (NBSC, 2016). However, it remains unclear to what extent the increased number of urban habitants should be attributed to such state behaviours as redrawing urban boundaries and changing urban definition. Locating state in China's urban transformation is crucial and debatable, which needs to take into account the reshuffling state power among governments at different levels. In an outstanding example of China's administrative system, the central government maintains power to establish new cities, enlarge existing cities, redraw and/or merge districts within cities, and even abolish cities (Cartier, 2015). To explain the significance of administrative restructuring, the state reiterates the need to facilitate effective territorial management and reconfigure central-hinterland relationships in the metropolitan area. However, the underlying reasons for territorial changes in a locality vary from region to region and are under-examined.

Few if any existing studies written about Chinese administrative restructuring focus on either national-level or large cities, but little is known about the process of administrative restructuring in small- and medium-sized cities, especially those in the less developed central and western China. This article examines two adjustments in Bengbu's administrative territory, in 2004 and 2014 respectively, with a particular focus on the critical role that the local state has played in the policy design and implementation process. With reference to the institutional arrangement, pro-growth urban governance theories, the scale perspective, and their implications in China's urban studies, this paper attempts to develop a comprehensive analytical framework and advance the understanding of administrative restructuring in Chinese cities. This analysis raises four questions. First, why and under what circumstances can local officials be motivated to promote administrative restructuring? Second, what are the main mechanisms behind

administrative restructuring? Third, who are the major players if there is a pro-growth coalition built in the process and what are their roles? Finally, what are the impacts of administrative restructuring on Bengbu City and their implications?

Listed as an important industrial city by the central state and allocated many heavy industry projects in the late 1970s, Bengbu is now seen as a less-developed city at provincial and national level due to the lack of capacity and flexibility in response to marketisation and decentralisation. The evidence from this study suggests that the primary motivation behind urban districts reconfiguration and part of the surrounding counties annexation lies in an urgent need to promote economic growth in the edge area between urban and rural, as well as to remove the barriers for urban development as a whole. During this process, the urban-rural integration, or the so-called functional integration of the peripheral area into the urban core can be manifested in a series of ways such as appointing urban officials in the previous rural area, introducing market mechanism to tackle economic problems during the reform, and encouraging local dwellers to work from primary industry to the secondary and tertiary industry.

Although the administrative restructuring in Bengbu has statistically facilitated local economic growth, one problem with this kind of government-led urban development is that the needs of the local habitants were largely ignored and bottom-up voice could be hardly heard in the decision making process. Moreover, the evidence of Bengbu indicates that the work of urban planning and the progress of administrative restructuring have been mutually responsive to each other. As a result, the rarely coordinated development has degraded land use efficiency, forced the relocation of affected residents, and triggered conflicts over social and environmental issues. The story of the new urban district in Bengbu also echoes with what characterize most of the urban peripheries in contemporary Chinese cities –a juxtaposition of agricultural, industrial, and residential activities (Ma & Wu, 2005; McGee, 1989).

Reviewing the development of a newly established urban district in Bengbu, two adjustments have gradually produced a pro-growth coalition in which the municipal government initiated, the district government led, and the private sector joined. Compared with those economically developed regions where administrative restructuring has been seen as a direct response to central government project, the impact of the central state on Bengbu is more ideological through providing broad guidelines than tangible by the

means of direct intervention. Moreover, the empirical finding is different from economically advanced region with regards to the disagreements among local governments. The evidence of Bengbu tends to be more agreeable whilst the other group experiences more intense conflicts and competitions, which could be partly explained by the different extents to which administrative system lags behind economic reforms in the coastal-interior divide.

Considering the extensive urban construction and industrial development in a newly established district is at the cost of destroying the place-specific locational advantage, an important implication of this study is that for other regions which may have the similar development constraints that Bengbu City faced more than ten years ago, if there is an alternative approach to figure out the problems. As reminded by Ma (2002) and Wei (2012), industrial growth should not be the only path that Chinese cities have pursued for reaching a more vibrant local economy, which makes Chinese cities are broadly similar to each other. Local endogenous resources, which are the agricultural base and beneficial transportation system in this case study, should be respected. In addition, close focus should be paid on the city-level integration and region-level cooperation.

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TABLE OF CONTENT

	Page
List of figures	3
List of tables	3
Abbreviations	4
 Chapter 1. Introduction	 5
1.1 Research background	5
1.2 Research aims and questions	7
1.3 Organisation of this thesis	8
 Chapter 2. Research methodology	 9
2.1 Research approach: a qualitative design	9
2.2 Case selection	10
2.3 Data acquisition and fieldwork	12
 Chapter 3. Administrative restructuring in china	 14
3.1 Changing state development priorities and the evolution of administrative restructuring in China	15
3.1.1 A balanced development strategy in the pre-reform era	15
3.1.2 City-prioritised administrative restructuring in the early reform.....	17
3.1.3 The widespread annexation of suburban counties since 2000	21
3.1.4 The urban districts and its restructuring.....	24
3.2 The implication of administrative restructuring on China's city size distribution	26
 Chapter 4. Theoretical debates: the state and urban governance under China's administrative system	 31
4.1 Administrative system as a key part of the institutional arrangement	32
4.2 Pro-growth urban governance strategies in transitional Chinese cities	36
4.3 China's administrative division system: a scale perspective	42
 Chapter 5. A case study: Bengbu and its two adjustments in the administrative territory	 46
5.1 The background behind administrative restructuring in Bengbu	46
5.2 Implementation process	50
5.3 The construction of a new district: challenges and strategies	54
5.3.1 The formation of a new government.....	55
5.3.2 District positioning and economic restructuring.....	58

5.3.3	The development of large scale infrastructure projects	65
5.3.4	Local government's strategies for attracting entrepreneurs and land developers	69
Chapter 6. Discussion		71
6.1	Administrative restructuring as a strategy of urban governance	71
6.1.1	Motivations	71
6.1.2	Processes	74
6.1.3	Impacts	77
6.2	The formation of a pro-growth coalition	78
6.3	The relationship between administrative restructuring and urban planning	81
Chapter 7. Conclusion		82
References		89
Appendix 1		112
Appendix 2		118

List of figures

Figure 1. The location of the case study in China

Figure 2. China's administrative/spatial system, 2002

Figure 3. Population density and spatial distribution of cities in China

Figure 4. Evolution of urban population size distribution

Figure 5. China's major economic zones: Bohai Bay Economic Zone, the YRD and the PRD

Figure 6. Bengbu City Geographical Location Map

Figure 7. Implementation processes of two adjustments in Bengbu's administrative territory

Figure 8. Land use spatial evolution in the urban districts of Bengbu City

Figure 9. Administrative divisions of urban districts in Bengbu City, 2014

Figure 10. Current land use condition in Huaishang district, 2009

Figure 11. Huaishang district land use planning, 2006-2020

Figure 12. Key economic factors in Huaishang district, 2004-2014

Figure 13. Population information in Huaishang district, 2004-2012

List of tables

Table 1. Benefits of being a city: an incomplete list

Table 2. Annexation into city districts in the Yangtze River Delta, Dec. 2000-Apr. 2002

Table 3: Annexation into city districts in selected cities in Yangtze River Delta, 2000-2004

Table 4. Categories of city size in China according to the 2014 criteria

Table 5. State Council criteria for statutory designation of prefecture-level cities as of 1993

Table 6. Bengbu's GDP ranking, GDP proportion and labour force percentage in three industries.

Table 7. The figures of key economic factors in Bengbu, 2005-2014

Table 8. Stage and key events of Huaishang District construction

Abbreviations

BBCA	BBCA Group
CCP	China Communist Party
COFCO	COFCO Corporation
GDP	Gross Domestic Production
PPP	public-private partnership
PRD	Pearl River Delta
US	United States
YRD	Yangtze River Delta

Chapter 1. INTRODUCTION

1.1 Research background

Since the initiation of economic reform in 1978, a number of Chinese cities have experienced significant administrative restructuring processes, which include city administering counties, county-to-city upgrading, annexation of suburban counties, and urban districts merge and reorganising. They not only imply spatial reorganisation in a certain area and physical transformation of built environment, but also bring profound social, economic, and political changes to the affected region. Instead of pursuing regional egalitarianism and controlling urban growth in Mao's era, China's leadership in the reform-era implements a thoroughly different strategy, which encourages a significant degree of market-driven freedom and allows substantial flexibilities in the development of urban society and space. Despite the debate on its calculation and reliability, China's urbanisation rate increased to 56.1% in 2015, according to a public report released by the National Bureau of Statistics of China in early 2016 (NBSC, 2016). However, it remains unclear to what extent the increased number of urban habitants should be attributed to such state behaviours as redrawing urban boundaries and changing urban definition. Locating state in China's urban transformation is crucial and debatable, which needs to take into account the reshuffling state power among governments at different levels. In an outstanding example of China's administrative system, the central government maintains power to establish new cities, enlarge existing cities, redraw and/or merge districts within cities, and even abolish cities (Cartier, 2015). To explain the significance in restructuring territorial space, the state reiterates the need to facilitate effective territorial management and reconfigure central-hinterland relationships in the metropolitan area. However, the underlying reasons for territorial changes in a locality vary from region to region and are under-examined.

Being increasingly complicated and contentious, the interpretation and the manifestation of government strategy have gradually shifted from a traditional economic concern to a spectrum of matters including all social, political, ecological, and cultural

perspectives (Geddes & Newman, 1999; González & Healey, 2005; Morgan, 2004). In the Western context, the administrative rearrangements mostly impose impacts on infrastructure construction and social services provision. In contrast, reforms in China's administrative system touch upon significant changes in local development, including redefining jurisdictions of official appointments, amending development priorities in a certain area, and reclassifying individuals and places as rural or urban (Cartier, 2015).

Existing literature published on China's administrative system focuses on such topics as the meaning and importance of different administrative level (Ma, 2005; Ma & Cui, 2004), urban spatial restructuring as well as its underlying impacts (Ma, 2004; Qian, 2012), and the role of governmental policies on urban development (Cartier, 2015; Lin, Yin, & Ma, 2011; Zhang & Wu, 2006). Most studies in this field focus on either the central state or the lower levels of government. However, considering the significance of the central-local dynamics in urban development, it is critical to consider the shifting priorities of central government's policy from a top-down view and to illustrate the implications of such changes for administrative system in affected territories from a bottom-up perspective. That is to say, there is an urgent need to explore how administrative restructuring has been guided by the central policies and forged by the local governments in post-reform China¹. The changing state policy can be seen as a lens through which the reorientations, priorities, and limitations of state reforms are presented. As Skocpol (1995, p. 58) suggests, "policies have the ability to transform or expand the capacities of the state. They therefore change the administrative possibilities for official initiatives in the future and affect later prospects for policy implementations".

While many scholars have discussed the subject of administrative restructuring at the aggregate level, investigations at the individual-city level continue to be relatively scant. A few case studies mainly concentrate on several large metropolitans or well-known areas such as Beijing, Shanghai and Hangzhou, as well as Pearl River Delta

¹ The multi-level government structure in China complicates the term – local governments. In the general discussion of this thesis, local governments refer to sub-national governments. In the empirical study part, local governments mostly indicate the municipal- and district- level governments.

and Yangtze River Delta (Cartier, 2015; Gu & Jiang, 2004; Wei, 2012; Zhang & Wu, 2006). In contrast, the small- and medium-sized ones dominating a large number of Chinese cities still remain under-examined in the literature, which resonates with the call for more research in the less-developed central and western China (Chen et al., 2015; Li, *et al.*, 2015; Liu, Yin, & Ma, 2011; Qian, 2012). Moreover, as a contextualised subject, urban governance in China needs more microscopic investigations to facilitate the understanding. This research attempts to fill that gap of knowledge through investigating the administrative restructuring implemented in Bengbu City.

1.2 Research aims and questions

This article examines two adjustments in Bengbu's administrative territory, in 2004 and 2014 respectively, with a particular focus on the critical role that the local state has played in the policy design and implementation process. Compared to economically developed area where various administrative restructuring strategies are adopted such as county to city upgrading, annexation of suburban counties, and urban districts merge and restructuring, small- and medium-sized cities tend to implement administrative restructuring through reorganising urban districts and annexing part of surrounding counties. This research aims to advance the understanding of administrative restructuring in China by investigating the changing state development priorities and the evolution of China's administrative restructuring. More importantly, the research attempts to develop a comprehensive analytical framework to understand the recent reform in China's administrative system based on the institutional arrangement, pro-growth urban governance theories, as well as the scale perspective. In particular, a newly established urban district is paid significant attention and given critical discussions.

This analysis raises four questions. First, why and under what circumstances can local officials be motivated to promote administrative restructuring? Second, what are the main mechanisms behind administrative restructuring? Third, who are the major players if there is a pro-grow coalition built in the process and what are their roles?

Finally, what are the impacts of administrative restructuring on Bengbu City and their implication?

1.3 Organisation of this thesis

The overall structure of the study takes the form of six chapters. After the introductory chapter, Chapter Two presents the research methodology. Chapter Three reviews the changing state development priorities and the evolution of administrative restructuring in China. The implication of urban restructuring on China's city size distribution is also discussed in Chapter Three because large and small cities do not grow in the same way and both endogenous and exogenous factors account for the differences. In Chapter Four, the institutional perspective, pro-growth urban governance theories, the scale theory, and their implication in China are used to understand the adoption of the government-led administrative restructuring approach as the theoretical baseline. Chapter Five presents the empirical study of the research, focusing on the three key themes: the background behind the administrative restructuring process in Bengbu, the implementation processes over the last decade or so, and the underlying challenges and strategies in the establishment and development of a newly established urban district. The analysis particularly concentrates on Huaishang District in Bengbu City because it was an agricultural hinterland to the urban core before the municipality launched the first time administrative restructuring process, and experienced the most significant changes during this transition. The discussion in Chapter Six includes three themes: administrative restructuring as a strategy of urban government, the creation of a pro-growth coalition in the process of administrative restructuring, and the relationship between administrative restructuring and urban planning. Chapter Seven concludes.

Chapter 2. RESEARCH METHODOLOGY

2.1 Research approach: a qualitative design

Research methodology provides an underlying approach to the study. In particular, qualitative research is intended to generate concrete context-based knowledge as seen through the eyes of the people being studied. The advantage of applying a qualitative method is not only to deal with complexity (administrative restructuring) and highly contextualised phenomena (in the Chinese context), but also to realise its potential in answering the ‘why’ and ‘how’ research questions (Baxter & Jack, 2008).

Conventionally, the aim of qualitative research is not to draw statistical inference; thus, there is no rule to determine size of sample (Blaikie, 2007). This study uses purposeful sampling to obtain in-depth information from the most relevant respondents. With a purposive non-random sampling approach, which is one of the techniques often used in qualitative study, the number of interviewees is less important than the criteria used to select them (Wilmot, 2005). This is because a phenomenon only appears once to be valuable and there is no need for a large number as there is no need for statistical estimation. In addition, snowballing, which allows interviewees to recommend others they know with the same or specified characteristics, is also a method adopted in this qualitative research (Weiss, 1995).

A case study approach is used to allow a realistic and careful observation to be made in pursuit of research purposes. This approach facilitates the exploration of a contextualised phenomenon through accessing a variety of data sources, ensuring the study is investigated through divergent lenses which enable multiple facets of the phenomenon to be discovered and understood (Baxter & Jack, 2008). Potential data sources may include, but are not limited to: documentation, archival records, interviews, and direct observations (Yin, 2013); among them, interviewing is considered a valuable and effective tool to look deeply and broadly into subjective realities. Interview method allows us to take into consideration on “the social actor’s experience and perspective through stories, accounts, and explanations”, gather “information about

things or processes that cannot be observed effectively by other means”, and elicit “language forms used by social actors in natural settings” (Lindlof and Taylor, 2002, p. 173). Recently, qualitative interviewing gains high adaptability. This data collection method can be conducted “anywhere two people can talk in relative privacy” (p. 170-171). It takes the form of face-to-face group interviewing, mailed questionnaires, and telephone interviewing. This research adopts semi-structured interviewing data collection method, which has a planned set of general questions with flexibility to answer and accommodate exploratory issues raised by the respondents, as well as mailed questionnaires (Saunders, 2011).

2.2 Case selection

The existing research attempts to categorize Chinese cities based on different geographical measurement and location, varied population size, and diverse endogenous natural resources (Lin, 2002; Liu, Yin, & Ma 2011; Wei, 2007). Intrigued by different motivations such as the significance of local states, the substantial economic development of certain area, and the availability of contextual information, researchers have produced a considerable amount of literature on such types of cities as coastal city, megacity, resource-based city (e.g. mining city) (Tan, Xu, & Zhang, 2016; Wu, 2003; Ye, 2013). However, Bengbu City, which is the case study in this research, does not belong to any aforementioned city categories. It does not mean the case selection has no typicality. Instead, like Bengbu, a large number of inland cities are in small- and medium- size without attractive economic performance. The similarity between these unknown cities and their popular counterparts is that most of them have experienced significant administrative restructuring. This selection of Bengbu as a case study shows the researcher’s interest in the paucity of studies on the small- and medium-sized Chinese cities. The objective of this case selection is not to claim that a single city is sufficiently representative to make widely applicable generalisations, but to help fill the gap of knowledge with potential implications for other cities under similar conditions.

Good qualitative research is seen as a relevant, timely, significant, and interesting one (Tracy, 2010). In social science, “carefully chose experiments, cases, and experiences” may greatly add to the generalisability of a case study “as favourable as possible” (Flyvbjerg, 2006, p. 226). According to the Ministry of Civil Affairs of the PRC (2015), among total 33 areas experiencing administrative restructuring in the year of 2015, 18 are from inland provinces such as Jiangxi, Hebei, Anhui, and Sichuan. What is embedded in this process is the fact that a growing number of rural population and space have been reclassified with urban status. For example, in Shangrao City of Jiangxi Province, abolishing counties and establishing districts enlarged urban area and urban population to 2.8 times and 5.5 times (Shangrao, 2015, June 6). More astonishingly, the urban area soared into eight times in Baoding City of Hebei Province after annexing three counties into urban districts (Wei, 2015, May 13). The GDP per capita in Shangrao and Baoding is less than RMB 35000 (US\$ 5276) meanwhile those in cities like Beijing and Shanghai is more than RMB 100000 (US\$ 15076) (China State Statistical Bureau, 2015).

Following these methodology philosophies, Bengbu City in Anhui Province was selected as a case study area (figure 1) out of three main reasons. Firstly, Bengbu is a typical example representing a large number of small- and medium-sized Chinese cities, especially those in the less developed central and western China. By the end of 2014, the jurisdiction of Bengbu has a total population of 3.26 million, with 50.91% as urban population (Bengbu Municipal Government, 2015). According to China State Statistical Bureau (2012), among the total 289 cities at or above prefecture-level in China, there are 82 cities with urban population between one and two million including Bengbu. Secondly, on the one hand, Bengbu, which was listed as an important industrial city by the State Council and allocated many heavy industry projects in the late 1970s, once strongly contributed to the national industrial growth. On the other hand, it is now regarded as a less-developed city, provincially and nationally, due to the lack of capacity and flexibility in response to marketisation and decentralisation. Similar to Shangrao and Baoding, the GDP per capita of Bengbu City is RMB 38462 (US\$ 5800) (China State Statistical Bureau, 2015). Thirdly, which is also the most important one, Bengbu is one of the hundreds of small- and medium-

sized Chinese cities that have experienced significant administrative restructuring. With few changes in the total administrative area, the area of urban district has been enlarged from less than 450 km² to 956.9 km² in the past decade or so.

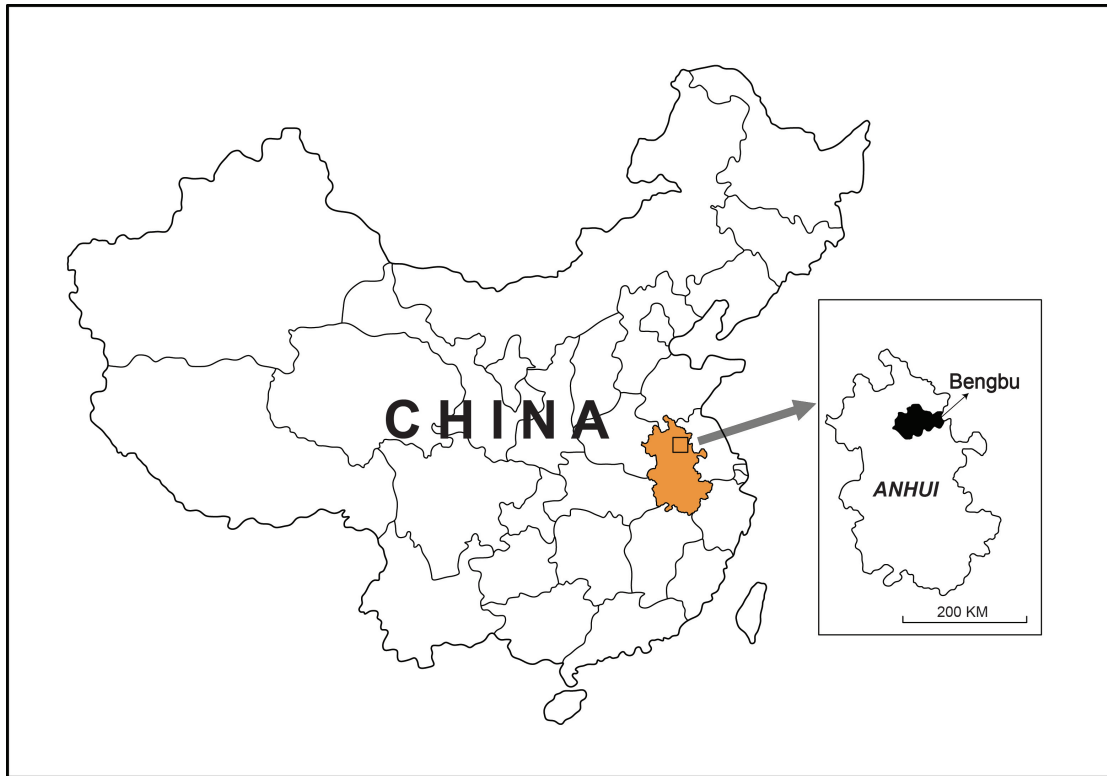


Figure 1. The location of the case study in China

Source: Bengbu Urban Development Strategic (Tongji University, 2010); revised by the author.

2.3 Data acquisition and fieldwork

Generally speaking, doing fieldwork in China is difficult and sometimes highly uncertain in practice. These obstacles of getting access to data in China can be listed as follows: a lack of social networks, political constraints, ethical and/or cultural dilemmas (Heimer & Thøgersen, 2006; Lunn, 2014). In particular, a recent study by Cartier (2015, p. 298) puts forward four challenges that research on Chinese administrative system may encounter: “access to contextual and comparative information, historicising the process of change, theoretical innovation in relation to the secondary literature, and use and interpretation of Chinese characters and terms”. She further points out that the lack of the administrative restructuring studies reflects “non-transparent conditions of information, and lack of comparative theoretical baseline” (p. 315). The

researcher of this study also faced many difficulties in the process of fieldwork. Therefore, a variety of data sources have been collected in order to counteract the potential weakness of data acquisition.

A combination of data sources, including documentation, archival records, interviews, and direct observations, were gathered at various time points from 2013 to 2016. Insightful and inspiring documentation and archival records include Bengbu Daily Newspapers, Bengbu Chronicle, Bengbu Urban Development Strategic Plan conducted by Tongji University in 2010, Bengbu Urban Development Strategic Plan conducted by Hsinghua University in 2010, Bengbu Statistical Yearbook, Bengbu Government Work Report, Bengbu Transportation Investigation Report. Meanwhile, the paper documents together with observation were considered as important support for guiding the interviews.

As discussed earlier, the selection of interviewees was based on purposeful and snowballing sampling rules. All of the interviews have either a manual recording or a completed questionnaire sheet. The interviews with key government officials also have a digital recording based on their approval. The overview of main interviewees in the fieldwork, including the name of interviewees' institution, the title of each informant, and the interview date, can be traced in the Appendix 1. To capture the depth and nuance of the role of government, the authors conducted lengthy open-ended interviews with local government officials including one vice mayor, two urban planners at the municipal level, and four government representatives at the district level. These interviews delve deeply into their attitudes toward the motivations, processes, and impacts of Bengbu's administrative restructuring. All of these interviews were held in their offices, lasting from 30 minutes to two hours with an approximate 45 minutes. Before each interview, the interviewees were informed with regards to interview motivation, confidential issue, interview time and venue. In general, these interviews went smoothly.

Despite the decision making and the implementation process of administrative restructuring in China seldom consult residents in impacted jurisdiction, this research

attempts to involve the voice of local stakeholders and encourage their dialogue with local officials. Therefore, another 33 short interviews and questionnaires were conducted with local informants who are mainly enterprise owners and factory workers. In addition, I was introduced to seven real estate company representatives, with whom I conducted investigation with questionnaires. The aim of these questionnaires was to gather information relevant to the evaluation of administrative restructuring process, including the economic development, infrastructure, housing, the living environment, and the attitudes to the local government. It is hoped that a combination of first- and second-hand data could make the empirical investigate an intellectual and substantial one.

Chapter 3. ADMINISTRATIVE RESTRUCTURING IN CHINA

China's administrative system, originated from the Qin Dynasty more than 2000 years ago, is seen as "the most stable element in the historical annals of the Chinese state" (Fitzgerald, 2002, p. 11). With China entering into socialist planned economy, this system has started to act as an unitary centralized power system, allowing the higher tier of government to control the lower level of government through administrative order, mandatory plans, resource and financial allocation, and personal appointments and removals (Ma & Cui, 1987; Chen, 1991; Zhang & Wu, 2006). The generalised schema of China's administrative/spatial system is delineated in four fundamental levels (figure 2). Throughout the period from 1949-1978, the hierarchical administrative system resulted in a strict top-down vertical control, although a bureau or an agency could also respond to the other at the same administrative level within a territory. From the socialist planned economy to the contemporary reform era, the administrative system reflected the persistent reconfiguration of China's social, political, and economic development.

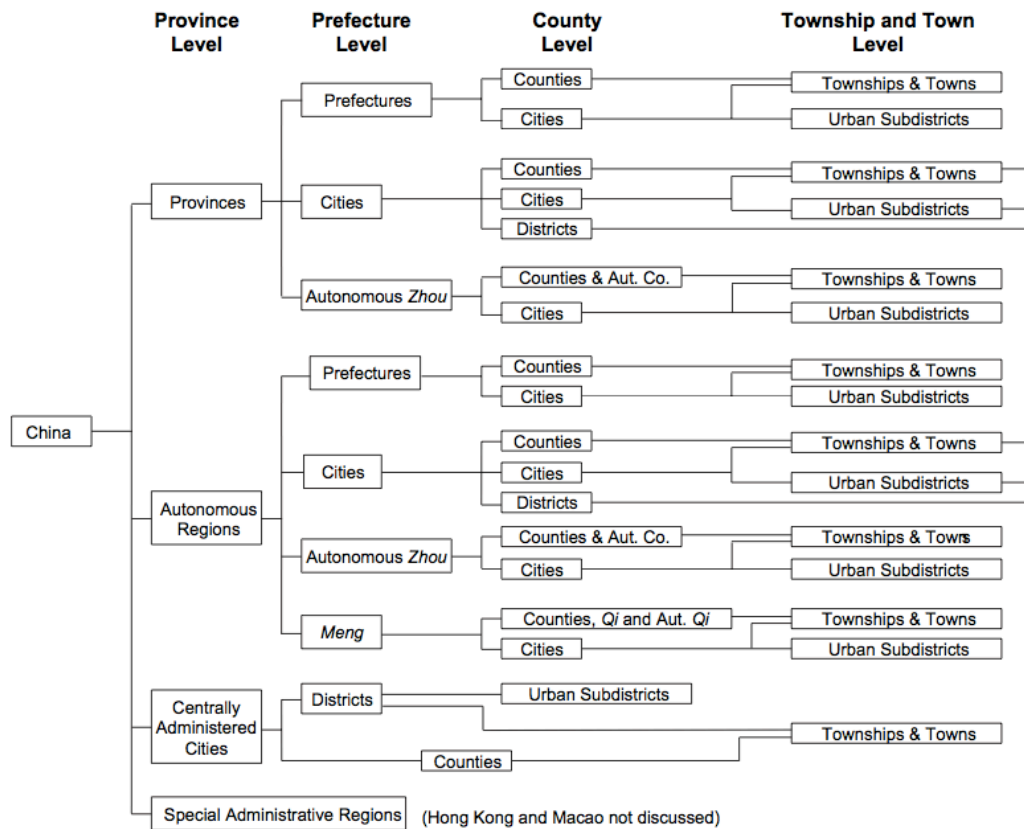


Figure 2. China's administrative/spatial system, 2002
Source: Ma (2002)

3.1 Changing state development priorities and the evolution of administrative restructuring in China

3.1.1 A balanced development strategy in the pre-reform era

Learnt from the Soviet Union, China adopted a command economic system since the founding of the People's Republic of China (PRC): Resource allocation depended upon the administrative hierarchy rather than prices from the market. A large portion of resourceS was concentrated in the hands of commanders. The key features of the Soviet-type economic strategy, according to Dernberger (1982), can be summarised to high input of investment, priority to heavy industry and military, priority to investment in production, investment in basic needs, and preference for limited foreign trade. China is no exception to implementing these strategies, which have been vigor-

ously challenged afterwards. One of the criticisms is that the heavy industry development strategy in the pre-reform era violated rules of comparative advantages because the capital was scarce and labour was abundant at that time (Kanbur & Zhang, 2005). Prioritising heavy industry directly resulted in a relatively slow growth in agricultural output and indirectly led to an enlarging urban-rural disparity. The other critical criticism is that from the 1950s to the early 1970s, the Chinese government deliberately developed the economic growth of inland cities whilst discouraged investment in coastal areas (Fan & Scott, 2003). The state selected remote and inland regions for key sectors such as automobiles and steel but prevented spatial clustering (Fan & Scott, 2003; Naughton, 1988). The key feature of China's development during this period was slow growth of living standards. It cannot be denied that China was among the poorest countries in the world at that time.

Compared with the capitalist economies where territorial boundaries are generally porous in restricting the flow of local and non-local sources, the boundary effects in China are much stronger due to the fact that the distribution of development resource and statutory power have always been related to administrative hierarchy (Ma, 2005; Zhang & Wu, 2006). In the pre-reform phase, there were limited changes in the arrangement of administrative system because the state adopted a balanced development strategy and set strict control on the urbanisation scale. Seen as a 'necessary evil' during Mao's control, cities were regarded as breeding grounds for capitalist iniquities and other Western wrongdoing (Chien, 2010). Moreover, cities had jurisdiction only over small urban and suburban spaces while the rest of areas were ruled by the rural-based system. Although prefecture governments were in charge of the development of rural areas, generally, it was not the prefectures but the counties that really possessed the power (Chung & Lam, 2004). The prefecture governments were seen as a 'dispatched organ' (paichu jigou) of the provincial authorities.

To ensure stable supplies of vegetables and non-staple food for the urban population, several economically developed cities were authorised by the central state to administer their surrounding counties in 1958; this reform was formally institutionalised in the National People's Congress in 1959 (Pu, 2006). However, due to the food short-

age resulting from natural disasters and inappropriate political decisions, the speed of city administering counties slowed down in the 1960s. It was not until 1978 that the Constitution officially canonised this system and put forward that city (shi) is a hybrid territorial and administrative entity consisting of both urban and rural units, clarifying that centrally administered cities and large cities can incorporate urban districts and counties.

3.1.2 City-prioritised administrative restructuring in the early reform

The late 1970s witnessed a profound transition process in China socially, economically, and politically. The transition, according to Smith and Pickles (1998, p. 2), is not “a one-way process of change from one hegemonic system to another”; rather, it “constitutes a complex reworking of old social relations”. In Eastern European countries, the ‘big bang’ transition is used to describe the prompt process of destroying the command economy and creating a market economy. To achieve the liberalisation of the price system and the privatisation of ownership, this approach inevitably triggered large short-run adjustment costs due to the discontinuous changes in the price system and the sharp increases in unemployment rate (Naughton, 1995). In China, a dual track system illustrates the coexistence of a traditional plan and a market channel, and it has been espoused as a transitional device with which the old command track of production and exchange tends to perpetuate to allow the state direct control over the country and guarantee social and economic stability.

With the gradual introduction of market reforms in the 1980s, the central government privileged city as its favoured area and the emergence of the city as a standard unit in the administrative system foreshadowed one of most significant rearrangements of China’s territorial administration since Yuan Dynasty (Fitzgerald, 2002). It emphasised that state’s territorial organisation was reoriented from a historical province- and county-based to a distinct form of city-based. Consequently, the State Council started to permit provinces to abolish prefectures.

Compared to the pre-reform practice, which was mainly in the large urban centres like Beijing, Shanghai, Nanjing, and Dalian, city administering county has been im-

plemented on a large scale since the 1980s when cities were authorised to be the growth engine for national economy. In the sixth five-year plan (1981-1985) issued by the central government, Zhao Ziyang, then Premier, put forward that large- and medium-sized cities should be economic centres to organise and manage economic activities, and to promote rural economic growth (Zhao, 1981). Under this proposal, a growing number of prefecture-level cities became a unit composed of urban districts, surrounding suburban counties, and possible nearby county-level cities (Chung, 2007). With the implementation of this city administering county policy, city governments were empowered by the state to stimulate the development of rural economy, to alleviate bureaucracy conflicts, to facilitate rural-urban integration, and to have *de jure* jurisdiction over lower-level administrative units such as urban planning, tax levies, and distribution of resources (Zhang & Wu, 2006). Some counties, however, wanted to abolish this system because the resources formerly collected by the counties as independent and fundamental administrative units are now in the hand of the central city (Liu, 1996).

Although the implementation of city administering county enables cities to have more administrative and economic power than before, the result has been less than satisfactory. For example, it is argued that this strategy has introduced *de facto* conflicts between the central city and its subordinate counties such as unequal resource allocation and imbalance development (Tang & Chung, 2000). The resources under unfair allocation can be both tangible such as administrative funds and intangible such as the yearly quota for the reclassification of agricultural to non-agricultural population (*nongzhuanfei zhibiao*) (Liu & Wang, 2001). In other words, the administrative and economic power granted to cities as well as the industrial development prioritised by the state are at the expense of the subordinate counties and agricultural development. The thorny issue is that if the central city is economically stronger than the administered counties, the former often tends to exploit the resources of the latter especially in terms of the suburban land (Ma, 2002). On the other hand, if the economic condition of the central city is weaker than its subordinate counties, an underdeveloped city core can hardly lead and benefit the periphery (Chung & Lam, 2004). In addition, city authorities have been found to acquire food grains from the subordinate counties for

the urban population by paying them low prices. On the whole, the question that if this policy has reached the declared goal of regional integration remains vague due to the fragmentation it produced. Nevertheless, by 1997, 97% of the cities at and above the prefecture-level were authorised to administer adjacent counties (Liu, Feng, Hua, & Fan, 2002).

One of the most significant changes to the administrative system in the reform era has been the establishment of cities. In China, neither the citizens nor the local governments have the discretion to create new cities. It is decided by the central government that if a jurisdiction can be entitled with urban administrative status. Before 1984, the approach of carving out a block of space for establishing a city (*qiekuai jianshi*) dominated the establishment of cities. The main considerations under this strategy were economic functions, the size of population, and the share of non-agricultural population (Zhang & Zhao, 1998). Since the early 1980s, the numerical expansion of cities has been largely through the administrative measures of turning prefectures into cities. For example, in 1983 and 1996, all the prefecture agencies in Jiangsu Province were abolished and five more prefecture-level cities were established (JSYBPH, 2003). The significance of this county to city upgrading reform was that a whole county, which was previously a rural area with mainly rural population, could be converted into a city without changing administrative boundaries. The purpose of introducing this strategy was to facilitate economic growth through industrial restructuring and encourage labour from agricultural to non-agricultural work (Zhang & Zhao, 1998). Although rural economic reforms and the vigorous development of small towns occurred in a large scale, such change in administrative status also has negative effects, such as conflicts over land and other resources, redundant bureaucracy, dysfunctional government, as well as inappropriate size of space carved out to establish a city (Pu, 2006). Approximately 70% of the current Chinese cities were designated through this approach (Ma, 2005).

In the 1980s and 1990s, China witnessed a substantial development of the county to city upgrading through which the local authority could gain more power in the economic development of the jurisdiction. Empirical evidence shows that in the devel-

oped area, since the GDP per capita in many county-level units exceeded that in the central city, a number of counties demanded to be upgraded to county-level or even prefecture-level cities for possessing more fiscal retention and decision-making power (Zhang & Wu, 2006). County-level governments endeavoured to negotiate with central government for acquiring city status because a city is seen to have several advantages over a county for economic, land, and strategic interests (Shen, 2004a). Nevertheless, with more and more criticism on the declining quality and quantity of arable land, illicit criteria of city designations in practice, as well as the weak regulation and management of administrative system, the State Council suspended the approval on the application of abolishing county and establishing city in the end of 1997 (Wang, 2002; Wang, Wang, & Zhang, 2008).

Table 1 lists a series of benefits associated with city status, which were cited from a wide range of studies. In general, the nuance of a city status stems from the belief that it can bring more development opportunities to the affected jurisdiction. However, the perceived benefits of being a city and the empirical evidence are unlikely to be consistent. Using a large data set covering all counties during 1993–1997, Li (2011) argues that upgrading cities only provides a one-time incentive to local officials and makes this mechanism short sighted in the sense that the rewards are for past economic performance rather than future improvement. Moreover, based on a panel dataset at county level, Fan, Li, and Zhang (2012) evaluate the effect of county-to-city upgrading policy and find that places with a new city status do not yield better performance in local economic growth, public services provision, or job creation. They also argue that the main reason can be attributed to a one-time incentive to local governments provided by this one-fits-all policy and a lack of consideration in the matter of city size. Although numbers as quantitative indicators are important in their own right, it may fail to grasp the complexity of county-to-city upgrading process at the individual city level. Upgraded to a county-level city from a formerly rural county in the year of 1989, Kunshan has successfully transferred itself into the most economically powerful county-level city in China since 2000 (Chien & Wu, 2011). Compared to other places, the main advantage of Kunshan is that the development path mostly depends on both the endogenous and exogenous factors and combines the market forces and

the involvement of the state in different perspectives of local development such as land development, foreign investment, and territorial collaboration.

Category	Benefits	Source
tax, fee & fiscal	Cities are authorized to collect more municipal construction fee and a higher urban construction tax;	Chung and Lam (2004)
	All large and some medium-sized cities could retain some tax for urban development and construction projects;	Ma and Cui (1989)
	(Before the 1990s,) cities received a great deal more financial support;	Zhang and Zhao (1998)
	Prefecture-level cities are a formal independent fiscal regime	Chung and Lam (2004)
land-related	Cities generally convert more land to construction use and retain a larger share of revenue from land sale	Zhang (2006)
favorable policy	Cities could report directly to the provincial administration to ask for investment projects	Zhang and Zhao (1998)
administrative power	Cities have more authority on foreign trade;	Chung and Lam (2004)
	Public employees is expanded with city status;	Fan, Li and Zhang (2012)
government size	Cities could establish more branches of government	Chung and Lam (2004)
rank and salary	The bureaucratic rank and salary of officials are raised	Li (2011)
reputation	Cities are generally more appealing to investors	Chien (2010)
perception	Cities are believed to have concrete state-subsidized benefits	Chien (2010)
Note: Given the volatility of Chinese policies, the benefits are continuously changing overtime; benefits listed are not necessarily effective during the same period.		

Table 1. Benefits of being a city: an incomplete list
Source: Fan, Li, and Zhang (2012, p. 479); compiled by the author.

3.1.3 The widespread annexation of suburban counties since 2000

In addition to numerical growth, physical enlargement of cities has been remarkable in China especially in those cities, which are among the fastest growing ones with regards to economic development. The strategy of annexing suburban counties is also adopted in cities where the old city centre has been fully developed and further development has been constrained by the limited urban area. In the process of urbanisation, the state continuously promotes the development of urban districts through upgrading a county or a county-level city to an urban district. Unlike counties or county-level cities, urban districts are generally under the control of a municipality in terms of their land and fiscal revenue (Cartier, 2015). More accurately, a municipal government is in charge of most of the political and economic matters while the district government mainly functions as a public service provider (Shen, 2004a). It is believed that this kind of administrative restructuring would “benefit citywide planning and rural-urban integration, facilitate the decentralisation of urban industries, and reduce

the hurdles for the expansion of urban built up areas” (Ma, 2005, p.492). This mechanism was once adopted widely in China: at national level, until the end of 1984, 90 cities became the recipients of city annexing county and more than 50 million people were affected by these changes (Ma & Cui, 1987).

Although there is a widely held view among Chinese officials that cities generally carry more prestige than rural areas, it has been extensively argued that related policies are adopted without carefully considering its theoretical foundation and potential problems (Xu & Yeh, 2011; Zhang & Wu, 2006; Qian, 2012; Wu & Zhang, 2007). From the end of 2000 to the middle of 2002, the administrative annexation in the Yangtze River Delta (YRD) sharply increased the jurisdiction area of its prefecture-level cities from 4352 km² to 17539 km² (table 2). Since large-scale annexation can easily trigger discontents from annexed county-level units, municipal governments have to make some concessions which may result in a negative influence on the city development. For example, when annexed by Changzhou City, Wujin district asked to retain its independent fiscal system which eventually got approval by the municipal government. As such, Changzhou paid less attention to the new district and it ended with a large-sized economic development zone in the city north and a large-sized industrial zone in the south of the Wujin district without thinking about the efficiency of industrial distribution pattern (Xu & Yeh, 2011). This is also evident in the case of Hangzhou. In 2001 and 2014, this provincial city went through two annexation processes which turned Xiaoshan, Yuhang, and Fuyang counties into three urban administrative districts, increasing the geographical size of the city from 683 km² to 4876 km² (Qian, 2015). However, in order to reduce land revenue loss to the municipality, the county-level governments of Xiaoshan and Yuhang quickly leased land use rights to developers for industrial and residential users sharply before the annexation was implemented (Qian, 2012). This example is a typical illustration of how inefficient land use can be triggered by administrative restructuring.

City	Prefecture-level city		Annexed county-level units		
	Before (km ²)	After (km ²)	City/County	Area (km ²)	Time
Nanjing city	1026	4728	Jiangning county	1573	Dec. 2000
Yangzhou city	148	973	Liuhe county	1383	Apr. 2002
Zhenjiang city	273	1083	Jiangpu county	746	Apr. 2002
Suzhou city	392	1650	Hanjiang county	825	Dec. 2000
Wuxi city	517	1631	Dantu county	810	Apr. 2002
Changzhou city	280	1864	Wuxian city	1258	Dec. 2000
Hangzhou city	683	3068	Xishan city	1114	Dec. 2000
Ningbo city	1033	2560	Wujin city	1584	Apr. 2002
			Xiaoshan city	1163	Apr. 2002
			Yuhang city	1222	Apr. 2002
			Qing county	1527	Apr. 2002

Table 2. Annexation into city districts in the Yangtze River Delta, Dec. 2000-Apr. 2002

Source: Zhang and Wu (2006, p. 12)

Along with rapid economic and industrial development, the other major developed region Pearl River Delta (PRD) has also undergone urban annexations in the name of alleviating administrative conflicts, rationalising land use, and promoting rural-urban integration (Yeung, 2005; table 3). For example, Panyu's autonomy in resource allocation has been decreased with the status changing from an independent county-level city administered by Guangzhou to an urban district of Guangzhou. To strengthen Guangzhou's status in Southern China, the provincial government has fully endeavoured to support the process of merging Panyu into Guangzhou (Wu & Zhang, 2007). It is worthy to note that the removal and relocation of local officials could be used by core cities when county-level cadres oppose this annexation; an example is Foshan's annexation of the powerful suburban economies of Shunde, Nanhai, Sanshui, and Gaoming (Lin, 2009).

City	Original urban area (A) (km ²)	New district area (B) (km ²)	B/A	Total urban area (km ²)
Guangzhou	1443.6	(Panyu&Huadu) 2274.9	1.58	3718.5
Foshan	153.7	(4 districts*) 3718.8	24.16	3867.5
Jiangmen	179.8	(Xinhui) 1638.3	9.11	1818.1
Huizhou	1465.4	(Huiyang) 1184.0	0.81	2649.4
Zhuhai	723.6	(Doumen) 674.8	0.93	1653
Notes: The four districts are Nanhai, Shunde, Sanshui and Gaoming				

Table 3: Annexation into city districts in selected cities in Yangtze River Delta, 2000-2004

Source: Yeung (2005, p. 8)

Since most of counties were dominated by agricultural areas before the implementation of annexation, this approach is likely to end with significant imbalance in spatial pattern among different districts within a prefecture-level city. Taking the city of Yangzhou as an example, a distinguish contrast is the 825 km² area in the annexed Hanjiang county and the 26 km² area in the old Guanglin district in city centre. Since

the old Guanglin district demanded expansion, Yangzhou municipal government had to extend the administrative area of Guanglin district to 67 km² which indirectly put the ancient old city area at stake (Zhang & Wu, 2006). The concern, historical in nature, was also reflected in Huangshi City of Hubei province: in 2005, when the city government announced a proposal for annexing Dazhi County. Residents of Dazhi organised street demonstrations of opposition because they feared that the annexation would result in the loss of their historical identity as Dazhi People (Chien, 2010).

3.1.4 The urban districts and its restructuring

Cities in China do not have a uniform and standardised administrative structure, but cover the centrally administered municipalities, province-level cities, subprovince-level cities, prefecture-level cities, and county-level cities. Excluding county-level ones, the rest of cities generally consist of counties and urban districts. In China's Constitutional framework, an urban district is like the province, city, county, and township, which are listed as a formal level of state administrative unit. However, owing to the nature of urban governance, the urban district in China cannot be seen as a full level of government and does not have a fixed administrative or bureaucratic rank like its other counterparts (Lam & Lo, 2010). That is to say, the development of an urban district mainly depends on the city in which it is located.

Before the economic reform, the growth of urban districts was relative stable due to the same stability of other types of jurisdictions in the country. Since the 1980s, many newly founded prefecture-level cities had sought to establish districts, although they had low urbanisation rate. At the end of 2007, 856 urban districts were located in China's 287 cities, compared with 511 in 1980, and 275 in 1949 (Dai, 2000). The quick development of urban districts has happened not only because of the newly created cities but also due to the growth in size of existing cities through annexation of suburban counties.

An important change to the development of urban districts is the reconfiguration of the suburban districts (Lam & Lo, 2010). During the socialist era, suburban districts, called *jiaoqu* in Chinese, existed in a different way from other urban districts. A typi-

cal difference lies in the large size of the jiaoqu, in sharp contrast to other urban districts. For example, the Suburban District of Hefei City, which is the provincial capital in Anhui Province, is 516 km² while the combined area of the city's three urban districts was 61 km². Moreover, as the name indicates, in most cases, the suburban district surrounds the urban centre area in the form of a concentric circle. Since the suburban district functions primarily as a rural area, the geographical structure of 'encircling cities by the countryside' (nongcun baowei chengshi) was seen as a strategic tactic during the Maoism. In the reform era, however, it was realized that due to the significant disparities in population density, administered land area, and socioeconomic development between urban core and suburban district, this spatial configuration severely constrained urban development. As a result, cities started to abolish the suburban district for urban expansion and city growth. The typical approach was to abolish the suburban district, carve up it to several pieces, and incorporate each piece into different urban centre districts. After that, the city had more territories for urban construction without requiring more administrative jurisdiction. By 2000, only 33 cities (excluded county-level ones) in China had suburban districts and the case study city Bengbu in this research was one of them (Liu & Wang, 2001).

Urban districts restructuring has also been used for consolidating regional advantages and satisfying the new demand in urban development through combining or repealing some districts under the jurisdiction of a city (Yin & Luo, 2013). For example, in 2010, Beijing municipal government was approved to combine Dongcheng District with Chongwen as well as Xicheng District with Xuanwu. According to media reports, this decision was made by Beijing government in the hope of decreasing the restriction of limited geographical area, increasing the provision of public service, strengthening the protection of the historical city centre, and improving the efficiency of administrative management.

Another scenario under which districts are restructured is that some urban districts share similar urban functions but each of them occupies only a small area. In order to improve management efficiency, the municipal government requests to merge such neighbouring districts. For example, Nanshi District and Luwan District under the

municipality of Shanghai were merged to Huangpu District in 2000 and 2001 respectively, and the enlarged district has become one of the most famous tourist and commercial areas in China. This can also be seen in the case of Suzhou where three old urban districts were merged into one Gusu District in 2012. The most important reason behind this merge in Suzhou was to protect the ancient city, along with other reasons such as alleviating the difficulties of the small-size limitation and weak fiscal capacity. Typically, the new districts are substantially larger in geographical size compared to the old ones.

Urban districts reconfiguration is expected to pave the way for regional cooperation and coordination (Wang, Wang, & Zhang, 2008). Moreover, the municipal-level government is in high hopes that different districts within a city can be functionally organised, particularly in terms of the distribution pattern of industrial development considering the need for economic growth (Yin & Luo, 2013). Nowadays, there are three types of urban districts in major cities (Liu & Wang, 2001): Those located in the city core which already existed before the urban expansion, those developed from the suburban district, and those converted from the county as previously mentioned. Apparently, not all Chinese cities at or beyond prefecture-level have all three types and the third type mainly exists in mega-cities such as Beijing, Shanghai, and Guangzhou. Since districts may have different levels of urbanisation and are diversified in all social, cultural, and economic terms, urban governance strategies in one may not apply to others. In the process of establishment and development of urban districts, unlike super-large and large cities that have a strong incentive to concentrate more power and resources, other cities may have less to offer and therefore, face an uncertain future (Lam & Lo, 2010).

3.2 The implication of administrative restructuring on China's city size distribution

Regardless of which kind of city-driven administrative reform has been adopted and how the (sub)urban districts have been carved up, the general result is that the scale of China's urban area has expanded substantially. The increase in the number and geo-

graphical area of cities has important implications for city size distribution. In China, city size usually refers to urban population (Bai, Shi, & Liu, 2014; State Council, 2014b; Chen *et al.*, 2015). Being no longer incapable of adapting to the new urbanisation development, the standards for categorising city sizes have been adjusted by the State Council in order to further and effectively implement the categorised administration of population of cities and satisfy the new demands of socio-economic development (State Council, 2014b). What is noteworthy is compared with three decades ago, the threshold of 50,000 has changed to the maximum population of small cities from the minimum population of large cities. The new standards rank cities into five classes and seven grades (table 4). According to the sixth national population census, which is the most recent one published in 2010, there are six metropolises, 10 megalopolises, 124 large cities, 138 medium-sized cities, and 380 small-sized cities in China. Figure 3 shows population density and spatial distribution of cities in China in 2010. It is worth pointing out that in the eastern part of the mainland, 36% of the nation's land supports 96% of the population (Bai, Shi, & Liu, 2014).

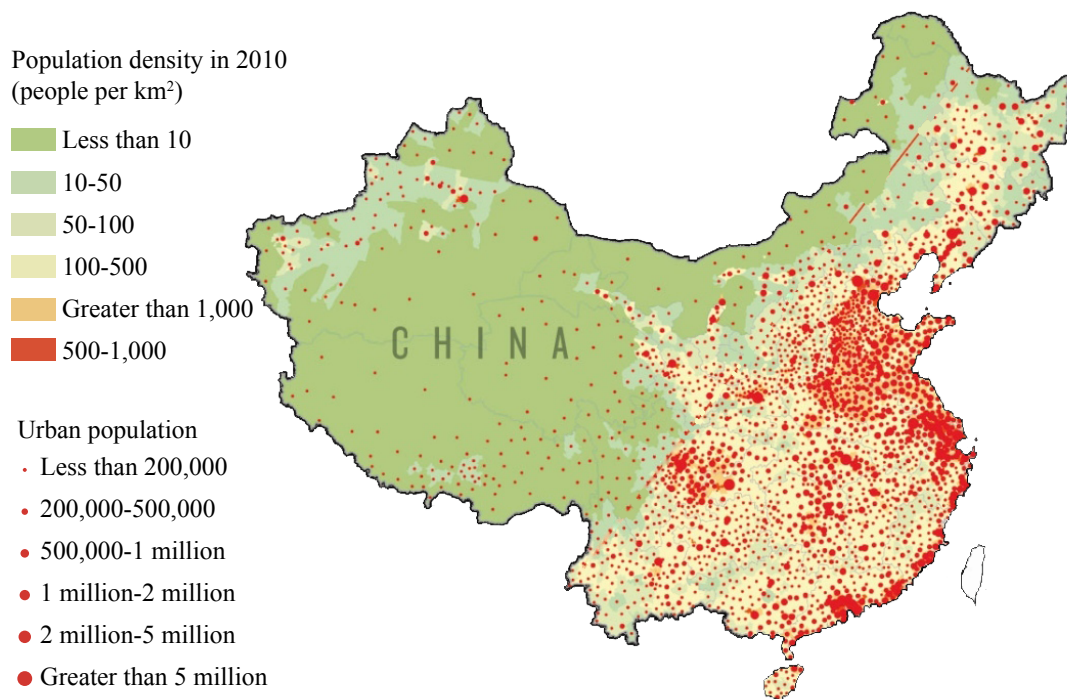


Figure 3. Population density and spatial distribution of cities in China
Source: Bai *et al.* (2014); revised by the author.

Categories	Number of urban residents
Small cities	Below 500,000
Type I small cities	Between 200,000 and 500,000
Type II small cities	Below 200,000
Medium-sized cities	Between 500,000 and 1 million
Large cities	Between 1 million and 5 million
Type I large cities	Between 3 million and 5 million
Type II large cities	Between 1 million and 3 million
Megacities	Between 5 million and 10 million
Metropolises	Above 10 million

Table 4. Categories of city size in China according to the 2014 criteria
Source: State Council, 2014b

Zhou, Dai, and Bu (2013) argue that from 1949 to the present, the policies issued by the central governments have played an important role in retaining or enhancing the economic vitality of some cities in certain sizes, levels, and geographical areas. This can be seen in both the evolution of urban population size distribution and the spatial distribution of different-sized cities. In Mao's era, small cities were created in the central and western regions for national defence, science and technology, industry, and transportation at the expense of the eastern coast. The growth control over large cities was taken as rhetoric because as key nodes of the centrally planned economy, they still dominated the urban hierarchy established by the Maoist regime (Lin, 2001). The total number of cities has grown rapidly from 193 to 658 (county-level cities included) between 1978-2010 as a consequence of turning prefectures into cities and abolishing county and establishing city. Figure 4 displays the evolution of urban population size distribution, showing that the percentage of the population living in cities with less than 500,000 urban population size decreased to 43.6% while the proportion of the population in megacities increased. Behind this evolution, the national urban development policy has been shifted from 'control the size of large cities, develop the medium-sized cities in an appropriate extent and enhance the urbanisation of small cities' in 1980, to 'strictly control the size of large cities and develop medium-sized and small cities to an appropriate extent' in 1990 and 'the coordinated development of large, small- and large-sized cities and small towns' in 2000. After the reform and opening up, China made great efforts to establish special economic zones as a means of promoting spatial clustering or agglomeration. The importance attached by the central government has been gradually transferred to the eastern region especially the coastal area. Jointly, it led to a large number of small- and medium-sized cities

emerging in the coastal area such as the Bohai Bay Economic Zone, the Yangtze River Delta, and the Pearl River Delta (figure 5).

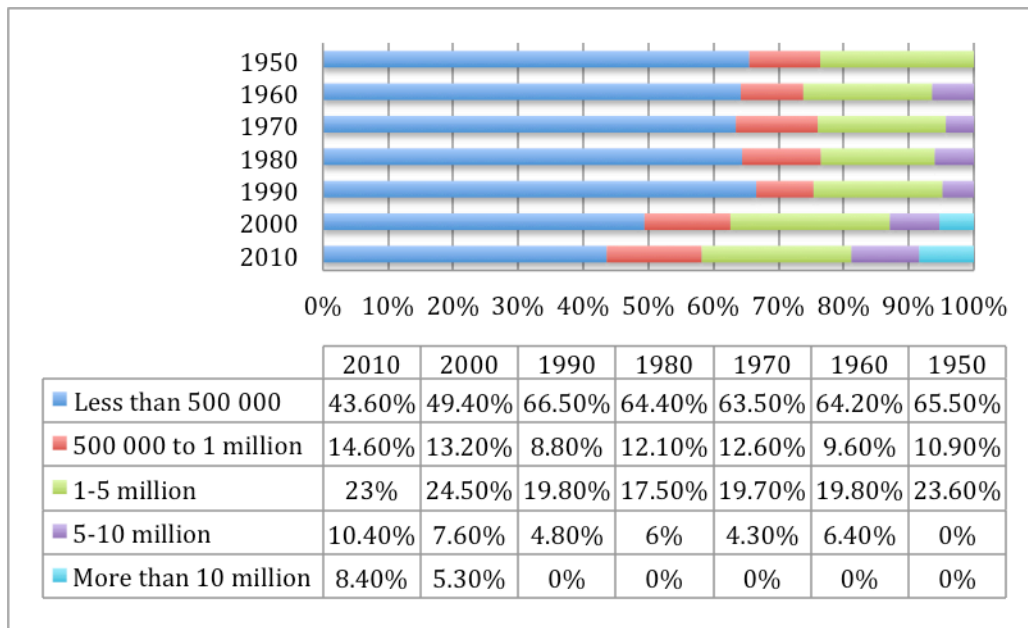


Figure 4. Evolution of urban population size distribution
Source: Zhou, Dai, and Bu, 2013

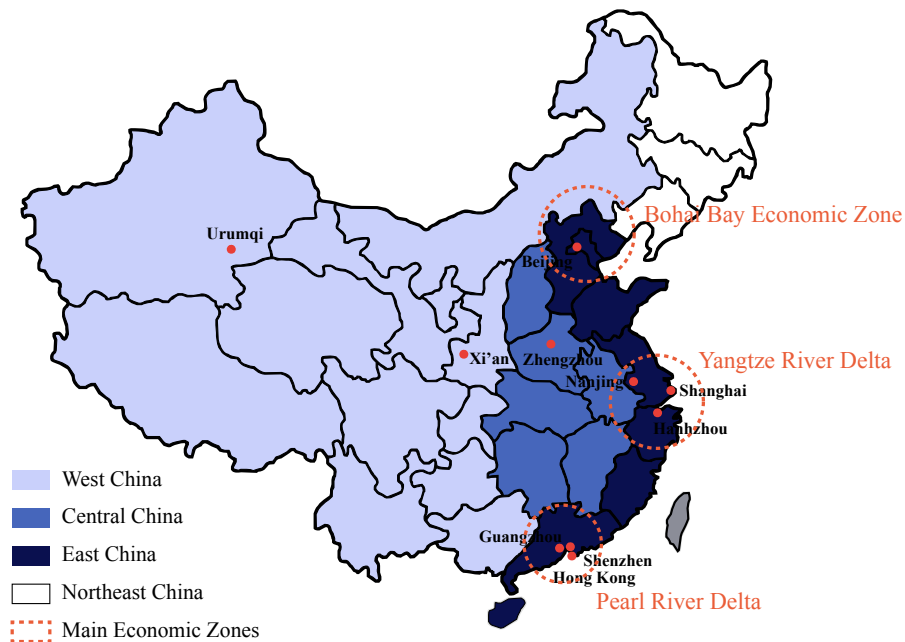


Figure 5. China's major economic zones: Bohai Bay Economic Zone, the YRD and the PRD
Source: Roland Berger Analysis (2015); revised by the author.

An unavoidable feature of urban growth that is worthy of note is that large and small-sized cities do not grow in the same way and both endogenous and exogenous factors account for the difference. Central government policies largely dominate the exogenous part. In the post-reform era, the modified city qualification criteria and the upgrading of counties to county-level cities resulted in a large increase in the number of small-sized cities but a decrease in average city size (Xu & Zhu, 2009). At the same time, the annexation of some suburban districts and upgrading counties into prefecture-level cities led to the considerable expansion of large cities. However, decision makers largely ignore the variation of endogenous resources in different localities.

Location is a very important endogenous resource in this context, and those localities enjoying a close geographical proximity to regions have undergone rapid economic growth such as Hong Kong and Shanghai (Chan & Yao, 2010; He, Wei, & Xie, 2008). The rapid development of small-sized cities was in fact an explicit policy objective in the early reform phase, and large cities have been expected to bring positive externalities to surrounding cities and towns. From the perspective of policy makers, large cities surrounded by small-sized cities are conducive to the formation of reasonable urban agglomerations. Generally speaking, Yangtze River Delta and Pearl River Delta can be seen as successful practices in this context for not only the core cities having achieved a certain level of economic growth, but also the surrounding small-sized cities experiencing rapid development (Chien, 2013; Ye, 2013). Nevertheless, it is not the same for central and western China. Although the Chinese government has made great strides to develop infrastructure to attract investment to the western region and local cadres have made many efforts to attract business, foreign direct investment still plays a minor role in its urban growth and expansion (Schneider, Chang, & Paulsen, 2015). After several times of administrative restructuring, the municipality of Chongqing comprises 21 districts (and 17 counties and autonomous counties), which has a total area of 824,000 km². The economy in Chongqing has been growing rapidly with a significant increase in the urbanisation rate. However, more than 40% of its GDP is concentrated in less than 10% of its territory, which is the city's metropolitan area only. In addition, 40% of the population live far away from the developed urban core and the urbanisation rate of the adjacent areas is lagging behind

Chongqing (Pu & Xiong, 2015). Compared to other developed regions, the area in which Chongqing is located is a typical representation of superposition of an area with the coexistence of a modern city, large agricultural areas, and mountains. It seems that the growth mode in the coastal area is hardly reproduced in the western area and the city-oriented urban restructuring is questionable.

The criticism on the quality of China's urbanisation is that the speed of the development of cities is far behind the increasing urbanisation rate. To control the scale of megacities, Chinese leaders has reiterated the importance of promoting small- and medium-sized cities by issuing beneficial policies to these cities over recent years, showing their excessive concerns about possible negative effects associated with increased city sizes such as congestion, pollution, and social problems. Xu and Zhu (2009) argue that these effects also depend to a great extent on the quality of urban planning and governance; there should be a scientific approach to weigh positive externalities related to city size growth with negative externalities. It is reasonable that people are attracted by more job opportunities in the large cities although they have to endure higher living costs at the same time. The problem, however, lies in how to improve public services and design economic incentives in the lagging regions including both small-sized cities and rural area.

Chapter 4. THEORETICAL DEBATES: THE STATE AND URBAN GOVERNANCE UNDER CHINA'S ADMINISTRATIVE SYSTEM

A literature review of recent studies on China's administrative restructuring can provide a fundamental understanding in terms of the administrative system in China, the theoretical baseline, the different types of its reforms, and the rationale behind these changes. Appendix 1 gives a brief synopsis of the relevant literature, and overall, three elements can be identified. First, although a growing body of information has become available on administrative restructuring in China during the past 20 years, most of the studies investigate administrative hierarchy at the national level with a

focus on cities. Second, there is no widely used theoretical baseline behind these researches. Analytical framework has been built under such concepts as central-local relationship, state-market dilemma, institutional arrangement, scale relations, and pro-growth urban governance theories. Third, a consensus has been reached that administrative restructuring is tightly related to China's spatial transformation, economic restructuring, and urban development. Models such as administrative urbanisation and territorial urbanisation have been put forward to capture the importance of administrative restructuring in the whole urbanisation process (Cartier, 2015; Liu, Yin, & Ma, 2012).

With reference to the institutional arrangement, pro-growth urban governance theories, the scale perspective, and their implications in China's urban studies, this paper attempts to investigate the motivations, processes, and results behind this government intervention in redrawing administrative boundaries of urban districts in Bengbu City, with a particular emphasis on the construction of a newly established urban district. It is envisioned that the three theoretical perspectives can be complementary to each other, compensating for each other's weaknesses and outlining the key ideas that facilitate to understand this issue of administrative restructuring.

4.1 Administrative system as a key part of the institutional arrangement

Considerable critical attention has been paid to the role and impact of institutions on the socio-economic development of countries and regions. As "the rules of the game in a society or, more formally, the humanly devised constraints that shape human interaction" (North, 1990, p. 3), institutions can be referred to as a diversity of specific practices and context, consisting of formal rules, laws, and regulations as well as informal norms, customs and habits. If organisations and their entrepreneurs are players, institutions are the rules of game.

The transition of China, from encouraging regional egalitarianism, urban growth control, and self-reliance towards promoting growth and competitiveness through a decentralisation of power and marketisation of the economy, has been identified in a

large body of the academic literature (Fan, 1995; Lin & Wei, 2002; Oi, 1999). Without the shock therapy of complete privatisation in other formerly socialist countries, China's development requires a deep understanding that goes beyond a preoccupation with specific foundations and allows initial institutional conditions to be valued (Naughton, 1994; Jefferson & Rawski, 1994; Qian & Xu, 1993). This is consistent with what North has suggested: There is often a path dependency derived from the historical evolution of the institutional environment that makes a difference to the future developments (North, 1990). Proposed by China's new leaders in the early reform era, a system governed by "rules, clear lines of authority, and collective decision-making institutions" was hoped to replace "the over concentration of power and patriarchal rule that had characterised China under Mao" (Shirk, 1993, p. 9). At the same time, the pre-existing institutional arrangement became the stones in the metaphor of the post-Mao era – Crossing the river by feeling for the stones underfoot (*mozhe shitou guohe*). Rather than a widely-held view emphasising the importance of proceeding in an incremental manner, Goldstein (1995) points out the other significance in this metaphor is that if you cross a river guided by the stones, you are constrained by the existing stones somewhere in the river. China's administrative system, as an essential proponent of the institutional structure of a country, is apparently one such stone in the wide river of its development (Bennett, 1997).

In urban studies, the institutional perspective considers places not just as the spatial organisation of activities in a certain area, but also the social construction in which people can live, work, and communicate. Regarding administrative systems, formal institutions generally play a leading and irreplaceable role by guiding and regulating various kinds of redrawing local government boundaries (Meligrana, 2005). By and large, the senior government establishes rules and regulations for possible types of reform, but the process is initiated and implemented by other stakeholders, such as local government officials and private sector players. To some extent, informal institutions can also function, especially when customs and conventions are deeply embedded in the organisational structure and local stakeholders need to directly intervene in the decision and implementation process.

As a key part of institutional structure, administrative systems are commanded by various entities across the world. In the US and Canada, controls over annexation policy and activity are ceded to the states and provinces respectively. Therefore, the procedures for annexation and other approaches of redrawing boundaries may vary from region to region. The differences between the two neighbouring countries is that in the US, states can either directly adjust municipal boundaries or introduce regulations that local governments must follow (Lindsey, 2004). In Canada, power over all local matters are exclusively reserved for the provincial-level government; sub-provincial units of government are not recognised by the Constitution as an independent level of government, but perceived as creatures of the provinces (Fischler, Meligrana, & Wolfe, 2004). By comparison, local governments in Germany are considered as part of the Federal States instead of a distinct and separate form or level of government. Called “a middle-of-the-road strategy between the relatively radical course of large scale amalgamation”, the reforms pursued by the Federal States in Germany was “incisive if not fundamental” because the functional scope of local governments is territory-based in the local government tradition (Wollmann, 2004, p.127). Korea’s experience is comparable to China’s in two ways. First, the urban-rural divide policies were once prevalent in Korea from the 1960s through the 1980s, after which time the rural integration policies started to dominate. Second, recent city expansion and city creation adopted in metropolitan areas, have been resulted from Korea’s phenomenal industrial growth and rapid urbanisation (Shin, 2004). It is generally agreed that the similarity shared by these developed countries is, over time, local people affected by ‘redrawing government boundaries’ have been given greater opportunities to have their voices heard and participate. Such underlying methods include direct involvement such as public hearings, local referendums, and the election of mayors, which is an important institutional device in modern democratic nations to realize stakeholders’ rights.

In China’s case, the administrative hierarchy is seen as the state’s trans-historical institution (Cartier, 2005). Although China has decentralised much of its administrative authority and fiscal autonomy to local governments in the post-reform period, the central state remains influential and decisive in the hierarchical administrative sys-

tem. In the ‘Regulations on the Management of Administrative Division’ published by the State Council in 1985, it stated that the establishment, dissolution, rename, and change of subordination of counties and cities should be examined and approved by the State Council. The provincial governments, however, are authorised by the State Council to approve a city’s partial boundary modifications. Although not autonomous in redrawing the territorial boundary, municipal governments play an active role in the process of administrative restructuring. In many instances, city designation, annexation, and district restructuring are bottom-up initiatives from municipal governments for the purpose of local development. After the proposal, the administrative restructuring process would be formally undertaken following the procedures required by higher-level governments. Although public participation is weak and open debate is rare, social conflicts still exist (example: p.24).

The system of administrative divisions in China has been widely challenged in public. In a presentation marking the opening of the 1st Strait Forum (an annual forum between mainland China and Taiwan), Long Yongtu, the former vice-minister of commerce, observed the limitations of administrative divisions in China’s economic development. Long (2009) explained, “Regional cooperation has become the main trend of global economic development” He continued, “however, China has to overcome the obstacles resulting from administrative divisions” (Long, 2009). Similarly, as cited in Cartier (2015), a professor in the Institute of Chinese History and Geography at Fudan University, who observed how the party-state uses administrative means to solve developmental problems, argued that “a true market economy has nothing to do with the administrative divisions” (Zhou, 2012).

Taking the decentralization process as a formal institutional change, another two substantial reforms can also be seen which are related to our discussion on administrative restructuring: one is that the central state gradually distributed the urban land control to municipalities through authorizing land leasing and granting planning permissions (Wu, 1999); the other is the introduction of the new tax-sharing system in the year of 1994, in which land leasing fee is entitled to local government (Fang & Zhang, 2003; Wu, 2002; Zhu, 1999). In China, the Constitution stipulates that state has the *de jure*

ownership of urban land and rural land belongs to the collective; moreover, the Land Management Law specifies that the state can requisition any land when it is in the public interest in which process local states become the *de facto* landowner of their jurisdictions (Xu, Yeh, & Wu 2009). However, the existing evidences in China show that in the name of public interest, and driven by pecuniary benefits, some local governments expropriate collective-owned farmland in rural areas and transfer it to state-owned urban land, generating many injustices socially, economically, and environmentally (Hsing, 2006).

Rather than its existence, the form and dynamics of institutions and their role in economic development attract noteworthy attention. China's institutional development is deeply ingrained in the changing nature of the state, triggering debates on how old institutions, which were major factors of the planning economy, are still in power and shaping the economic reforms in the transition process (Zhu, 2000; Grewal, Cheng & Rasmussen, 2015). As such, the transition of planned socialism toward market socialism under a vaguely defined socialist market economy is seen "as a result of competition and cooperation between interests and rationality of the status quo and forward-looking forces" (Zhu, 2000, p. 180). When the market force becomes a major factor conditioning economic development, getting incentives right is extremely important because individuals are assumed to rationally act to maximise their utility. It is also important to alter incentives for both private and public sectors (Walder, 1995). Meanwhile, new institutions should bring an effective incentive structure towards the achievement of Pareto efficiency. Intriguingly, however, the vested interests of status quo seem to thwart this improvement.

4.2 Pro-growth urban governance strategies in transitional Chinese cities

Diversified motivations and partnerships result in different urban development policies with varying outcomes (Zhang, 2002). 'Pro-growth' is used to characterise the alliance built by different interest groups, legally and illegally, for pursuing their joint maximum profit (Ma, 2004). In the last decade, a growing body of literature has investigated the pro-growth coalition in China, emphasising the changing key stake-

holders and the pragmatic evidences. Before the 1980s reform, the pro-growth coalition led by the central government only consisted of various levels of the state (Zhu, 1999; 2000). Under the marketisation in the post reform era, non-public sectors have started to challenge the position of the public sector, although the latter one still remains in power in key development resources such as land and political decisions (Zhang, 2002). This term has been used in such concepts as the ‘growth machine’ (Logan & Molotch, 1987), ‘urban regime’ (Stone, 1989), and ‘urban entrepreneurialism’ (Harvey, 1989) which were developed first to understand American urban political economy. Although the concepts cannot be directly applied to China, they have been proven helpful in analysing urban development strategies of Chinese cities (Chien, 2013; Ma, 2004; Zhang, 2002; Zhang, 2014; Zhu, 1999). With reference to the three theories and their implication in China’s urban studies, we aim to better understand the dynamics of administrative restructuring and investigate the motivations, processes, and results behind this government intervention in redrawing administrative boundaries.

- Growth Machine Theory and Urban Regime Theory

‘Growth machine,’ which has been widely observed in the urban renewal and redevelopment programs in the American cities during the post-World War II era, is believed to have significant impacts on urban development (Calavita, 1992; DeLeon, 1992; Logan and Molotch, 1987). It originates from Molotch’s seminal article that “the political and economic essence of virtually any given locality, in the present American context, is growth” (Molotch, 1976, p. 310) and “a city is conceived as the areal expression of the interests of some land-based elite” (p. 309). The popularity of formatting growth coalitions comes from the reason that on the one hand, political elites attempt to promote economic growth, support public services and sustain fiscal health; on the other hand, local businesses seek to pursue profit by influencing local rules of land use, tax and employment policy, and provision of public services (Gotham, 2000). The desire for ‘growth’ creates a coalition that permeates all facets of local life, covering a wide range of coalition partners such as the political system, finance and banking industries, professional practices in law and planning, as well as

indirect beneficiaries of development like local media and utility companies (Logan & Molotch, 1987; Macleod, 2011; Molotch, 1976). The result of empirical tests is debatable; some supported the thesis (Clingermayer & Feiock, 1990; Lyon et al., 1981) whereas others opposed it (Logan, Whaley, & Crowder, 1997; Schneider, 1992). Although the adopted strategies in different pro-growth coalitions are contingent upon a variety of local and external conditions (Gotham, 2000), the core elements are the same in all contexts: “the elite coalition, the self-interested promotion of urban growth, and the unequal benefits of this growth” (Kulcsar & Domokos, 2005, p.550). However, this theory has been contended that the understanding of growth is oversimplification, the variations in regimes are under-examined, and the formation of local coalitions are often short sighted and seen as a means to reach resources accumulation (Clarke and Newman, 1997; Logan, Whaley, & Crowder, 1997; Newman, 2001).

The analytical focus of urban regime theory extends beyond property to take into account the general “informal arrangements by which public bodies and private interests function together in order to be able to make and carry out governing decisions” (Stone, 1989, p. 6). In contrast with growth machine theory, which focuses on formal coalitions built upon the common goals of the economic and political sectors to promote urban growth, the goal of urban regime analysis suggests that a pro-growth coalition often consists of local government and business groups in a more general sense (Stone, 1993; Stone & Sanders, 1987). Stone (1989) summarise four forms of power: systemic power related to the superior power in the socio-economic structure; command power associated with activities for a group to achieve domination in conflicts; coalition power involving bargaining activities; and pre-emptive power associated with strategically setting agendas.

Zhu (1999, p. 537) first applies the two theories to China’s urban development analysis and put forward three decentralisation forces behind the fact that “the most striking change having occurred is that Chinese governments at various levels are much more development-oriented and committed to growth than before”. First, the economic interests in fostering local economies are no longer limited to state-owned only.

Second, the increasing power of autonomy in state-owned enterprises promotes the efficiency of their functions. Third, the tax reforms, which rearrange central-local fiscal relations, are seen as incentives to local growth. Beyond the above, based on the 1988 amended Constitution which allows land leasing with compensation, local governments have started to treat lands within its administrative jurisdiction as an important resource for local development in the post-reform era. On the other hand, private developers attempted to approach local governments for proposing cooperative development projects (Yang & Chang, 2007). Urban politicians tend to advocate land-centred urban development because land, through commodification, can generate revenue in the form of transaction fees, surcharges, and taxes (Hsing, 2006).

In the last decade or so, many scholarly efforts have been made to study the implication of pro-growth coalitions in Chinese cities in the process of urban (re)development. Reviewing the history of Shanghai's urban development, Zhang (2002) suggests a pro-growth coalition that was composed of different levels of state dominated before the reforms whereas the new coalition mainly consists of local government and both international and domestic non-state sectors. Through studying urban restructuring in Hangzhou, Qian (2012) investigates how a mutual beneficial relationship between the local government and the non-state actors has been developed in the establishment of development zones and new city projects, and points out this private-public relationship may pose challenges on the central-local relationship in implementing central policy in localities. Liu, Yin and Ma (2012) investigate how the local state has used the strong and highly visible hand in shaping local economic development as well as in reconfiguring the city's spatial patterns in the urbanisation process of Hebi City in Henan Province. Zhang (2014) analyses the applicability of growth machine theory with the case studies of Suzhou and Shenzhen, arguing that the strength of economic coalitions differs in the two cities due to different administrative status, local market conditions, and histories. These empirical evidences directly or indirectly suggest that the formation of economic coalitions seems to be similar in both Chinese and American cities because the key actor controls the production resources even though to what extent the local state can be seen as the major stakeholder varies from region to region. Nonetheless, unlike in the advanced economies

where local elections are held to encourage good political performance and a wide range of formal and informal institutions are involved in regulating the local development, the one-party leadership and the appointment of officials directly under the leadership of the superior government make China fundamentally different in the political dimension of coalition building.

Theoretically, Macleod and Goodwin (1999) argue that both growth machine theory and urban regime theory lack an analytical consideration into the spatiality of the state and the associated scaling of political representation. Applying their criticism into China's practice, Shen (2007) further points out that although both theories are relevant to Chinese cities, they only focus on the coalitions that have emerged in urban transformation within cities while ignoring external forces at the national and global scales. He argues that the distinctive nature of rescaling process in Chinese cases compared with Western ones is that in China, intense interaction and negotiation between the central and the local state have been actively shaping the arrangement of the administrative system, and the central government often plays a decisive role in the final decision. Furthermore, in contrast with Western experiences which generally assume that there is only one local government exercising power in public-private collaboration, there is more than one level of government in China's urban development which may include municipal-level, district-level, and county-level. As such, in the third part of this chapter, a scale perspective will be discussed to overcome the weakness of this approach.

- Urban Entrepreneurism

Urban entrepreneurial strategies, which “typically rests on a public-private partnership focusing on investment and economic development with the speculative construction of place rather than amelioration of conditions within a particular territory as its immediate (though by no means) exclusive political and economic goal” (Harvey, 1989, p. 8), are by and large applicable in the East and West of the World (Jessop and Sum, 2000; Wu, 2003). One stream of literature originating from advanced Western countries observes the transition of urban governance from managerialism to entre-

preneurialism (Griffiths, 1998; Harvey, 1989; Quilley, 1999). Various motivations behind such a shift have been suggested by scholars, such as economic and political restructuring from Fordism to flexible accumulation (Harvey, 1989; Marcuse & van Kempen, 2000), the necessity to increase local revenues (Peterson, 1981), and a series of political factors (Stone, 1987). Based on studies of Western cities, a list of characteristics associated with urban entrepreneurialism can be summarised: the primacy of economic growth over social welfare, the emerging alliance of public-private partnerships (PPP) in urban development, and the increasing popularity of city marketing and promotion. City competitiveness and underlying approaches to promote it have grown side by side with the scope of urban entrepreneurialism. It is worth noting that there has been an expansion in how to conceptualise competitiveness from the relative abundance and cheap cost of various factors of production to complex forms of structural or systemic competitiveness, including extra-economic aspects such as public-private partnerships, industry-finance relations, and governmental policies (Chesnais, 1986; Jessop and Sum, 2000).

In China, it is a widely held view that the local economic development in the post-Mao economic transition was fuelled by urban entrepreneurial strategies at different levels (Huang, 2008; Qian, 2011; Shin, 2009). Regarding territorial competition among same-level governments, Chinese cities have behaved more competitive when vying with each other for development resources as well as developmental opportunities such as investments, skilled labor, infrastructure construction, and large companies (Chien and Gordon, 2008). As a result of municipal governments gaining urban land control through “authorising land leasing and granting planning permissions” (Wu, 1999, p. 8), the construction of real estate has become an important entrepreneurial undertaking. Ding and Licktenberg (2008, p. 1) point out that in eastern and central China, the urban land produces “far more income per unit area” than agricultural land, “suggesting that local governments can profit substantially from conversion of farmland to urban use”. Even in terms of increasing affordable housing provisions and adopting a socially inclusive urban policy, the interests of local residents have been largely set aside compared with the top priority in fostering economic growth through real estate development (He & Wu, 2005). Eventually, a shift to em-

phasis on equity is mainly a rhetoric of political slogan which facilitates urban (re)development, safeguards land-based interests, and accelerates economic growth (Shin, 2009). Like their counterparts in Western countries (Hiller, 2000; Kotler, Hamlin, Rein, & Haider, 2002; Loftman & Nevin, 1996), cities in China have also adopted profit-motivated strategies through place marketing, prestige projects, or mega events (Qian, 2011; Shin, 2014; Xu & Yeh, 2005). However, there are many variations among different cities in the contexts and motivations behind the development of such strategies and how they are implemented along with what the consequences are. This is particularly true in China considering it has a mixed economy in which socialist legacies exist side by side with market forces (Fan & Scott, 2003). Despite becoming entrepreneurial in nature, local governments are still constrained by the strong involvement of the state economically and politically (Xu & Yeh, 2005).

In the past decade, the second phase of urban entrepreneurial strategies has been identified in the developed region of China. Instead of phasing out the previous prevailing concepts such as profit-driven, public-private collaboration and territorial competition, the salient features of the second phase are characterised by the emergence of a more coordinated and cooperative form of urban entrepreneurialism (Chien and Wu, 2011). A typical example is the cross-border land-related development coalition, which is taken as a strategic approach for tackling resource constraints and uneven development in the Yangtze River Delta and Pearl River Delta (Chien, 2013; Chien and Wu, 2011; Luo and Shen, 2007, 2009; Yang, 2006). At the national level, China's economy remains rigid, and the economic activities at the higher administrative level are quite related to the variations at the lower level. Therefore, territorial cooperation at municipal- or county-level can by no means be achieved without institutional assistance from upper-level governments.

4.3 China's administrative division system: a scale perspective

In recent years, the scale theory has received significant recognition. The fact that the adjustment of scale boundaries and the production of new scales are able to influence socio-economic transformation has never ceased to intrigue scholars and policy-

makers (Agnew, 1993; Brenner, 1999; 2001; Swyngedouw, 1997). Although China is distinguished by a strong legacy of its socialist history, many scholars have applied the theoretical debates on the nature of scale emerging in Western countries into China's context, and argue that the administrative rank of territorial units in China should be incorporated in the theorisation of scales (Cartier, 2001; Ma & Wu, 2004; Ma, 2005; Shen, 2004a). In general, the dimensions of scale in urban study can be understood as city-hinterland relationships, central city-outer city relationships, and city hierarchy (Agnew, 1993). Unlike recent theoretical debates that are focused on the relationship among the global, national, regional, and local geographical scales (Brenner, 2001; Swyngedouw, 1997), the application of scale theory in China is primarily concerned with scale as levels and as relations in two ways. The first one is based on the territorial units in China's administrative system such as towns, counties, cities, provinces, and the state, and the other sees urban areas and rural areas as two different categories of development. Four fundamental reasons contribute to the rationale behind these emerging research interests in China. First, the state-created administrative hierarchy in China, which has been maintained over *longue durée*, shares the common nature with scale theory because both recognise that territories are multi-layered and can be produced through historical conditions and practices (Cartier, 2005). Similarly, the administrative restructuring can be understood as an urban rescaling strategy for both attached physical localities and linked political institutions (Macleod & Goodwin, 1999). Second, each territorial unit within the administrative system as a particular type of scale can engender significant ramifications upon local economic development (Ma, 2005). Third, the significance is also manifested by the proliferation of the interaction of scales (Shen, 2004a). For example, a municipal city in China is under the administration of a province, but it also possesses certain power over its subordinate administrative units such as districts, counties and towns. Last but not least, due to the household registration system (*hukou*), different levels of social prestige and economic development in urban and rural areas can respectively represent a particular type of scale as level (Howitt, 1988). Compared with the production of scale by the state, Cartier (2005, p. 29) differentiates the significance of the politics of scale lies in "distinct state actors and institutions, acting out goals, policies,

and ideologies in scale contexts” such as the fiscal system. As the 1994 tax reform rescaled the fiscal responsibility, local governments in China have gradually lost their revenue. Each sub-national government needs to consider their independent budget. This analysis corresponds with the essentiality of discussing administrative restructuring from institutional perspective and pro-growth coalition urban strategies.

Howitt (1988) argues that scale possesses at least three interacting structural elements: size, level and relation. Taking the first two components alone might result in a simplification of scale whereas understanding scale as relational could complicate the concept. The implication of this complexity lies in the interrelations among multiple-scale positions and resources that circulate through them. Scale relations reflected by a typical sketch of the administrative hierarchy in China are believed to be much more intricate than they look (Cartier, 2005). As Cartier (2005, p. 22) further explains, “a scale perspective does not assume that processes necessarily move up and down a territorial hierarchy, but recognise that social processes may move unevenly across a space and sometimes ‘jump’ scales”. This viewpoint echoes with what is consistent among global scholars: Scale should not be seen as a given category, but instead scaled places are “the embodiment of social relations of empowerment and disempowerment, and the arena through and in which they operate” (Swyngedouw, 1997, p. 169). In other words, beyond territories defined by political boundaries, scales also act as a set of processes, constituting social relations among people at different discrete levels such as household, neighbourhood, workplace, institution, and region (Marston, 2000).

During the Maoist period, the central state was seen as the sole preeminent scale that played an irreplaceable role. In the implementation of the centrally designed national development strategy, the central state was the only key actor and major beneficiary of state development, with other administrative units such as province, prefecture, and county-level governments serving as links in the administrative chain of command (Ma, 2005). Before the economic reform, the central state promoted a series of egalitarian policies aimed to alleviate regional disparity and pursue a balanced development structure (Chen, 1991). Moreover, urban and rural were considered as binary

opposites in local economic development. The main function of the city was to promote industrial development while that of the rural area was to encourage agricultural production.

Although the administrative hierarchy is seen as a system of geographical scales that the central government has historically created, it produces dynamic and uneven forces with varying priority of associated scale, power, and resources (Cartier, 2005). In the post-1978 reform era, China's administrative structure has been rescaled in a direction that focuses on the cities as the main economic driving force. The city has been seen as an important administrative unit since it is "not only the executive arm of the People's Congress of a city but also the local administrative arm of the state" (Shen 2004a, p. 44). In addition to generating administrative changes at the city level, this reorientation process involves a reshuffling of decision-making power from vertical authorities based on central ministries to horizontal authorities based on local administrative units (Ma, 2005). City-level in China consists of four different administrative ranks, including the centrally administered municipalities or province-level cities, subprovince-level cities, prefecture-level cities and county-level cities (Cartier, 2005). The last classification, county-level cities, are not permitted to establish urban districts and often have substantially fewer government units compared to other kinds.

In pursuit of particular political and economic goals, the arrangement of China's administrative divisions at the city level has been periodically adjusted and changed by the state, including the conceptualisation, the physical size, and the population. In the 1980s and 1990s, the state revised the criteria of city designation three times mainly on the non-agricultural population and the gross domestic product (GDP) (Liu & Wang, 2001). The current formal institution on the administrative designations of prefecture-level cities is the 1993 criteria issued by the Ministry of Civic Affairs with approval from the State Council (table 5).

Population	Household registration: non-agricultural registered population	More than 250,000
	Non-agricultural registered work on non-agricultural industry	More than 200,000
	The percentage of non-agricultural population in the total	More than 30%
Economic	Tertiary share of GDP	More than 35%
	Size of economy (rural+urban) GDP	More than 2.5 billion
	Industrial share of gross value of industrial and agricultural output	More than 80%
Finance	Government revenue	More than 200,000,000
Infrastructure	Tap water should be available for 65% of the total population and roads should reach 60%	

Table 5. State Council criteria for statutory designation of prefecture-level cities as of 1993

Source: State Council (1993)

From 1949 to 2003, the number of prefecture-level cities has increased sharply from 53 to 282. Moreover, the number of county-level cities has increased to 374, making the total 660, including another four province-level cities (China State Statistical Bureau, 2004). The reason behind this rapid growth of cities is the focus on cities as the engines of economic development in the reform era. This has been implemented through divergent restructuring strategies of administrative system. Chung (2007) argues that the Chinese state plays a vital role in producing and rearranging urban scale for political and economic purposes through administrative measures. Referring to the theory of scale, Shen (2007, p. 47) divides the administrative measures into two categories: “vertical rescaling refers to a change in the administrative status of a city while horizontal territorialisation refers to the expansion in city’s administrative area”. Additionally, regional mergers, in which one area expands and the other is repealed, are also emblematic for administrative restructuring.

Chapter 5. A CASE STUDY: BENGBU AND ITS TWO ADJUSTMENTS IN THE ADMINISTRATIVE TERRITORY

5.1 The background behind administrative restructuring in Bengbu

Bengbu, selected as an empirical study for this research, is an inland city located in the east of China (figure 6). Its name means ‘Oyster Wharf’ in Chinese, echoing its former reputation as a freshwater pearl fishery. In the late 1970s, Bengbu was listed as an important industrial city by the State Council and allocated many heavy industry projects. Based on land reform and agricultural development, Bengbu was also

one of the national grain depots and an interchange for food industry. The most important place-specific feature behind this central state strategy is the significant advantage of railway transportation. Since Tianjin-Pukou Railway which is the main section of current Jinghu Railway brought into service in 1912, Bengbu has become an important goods distribution centre and traffic hub in both waterway and landway in China. As such, Bengbu is called a city brought by train (*huoche lalai de chengshi*).

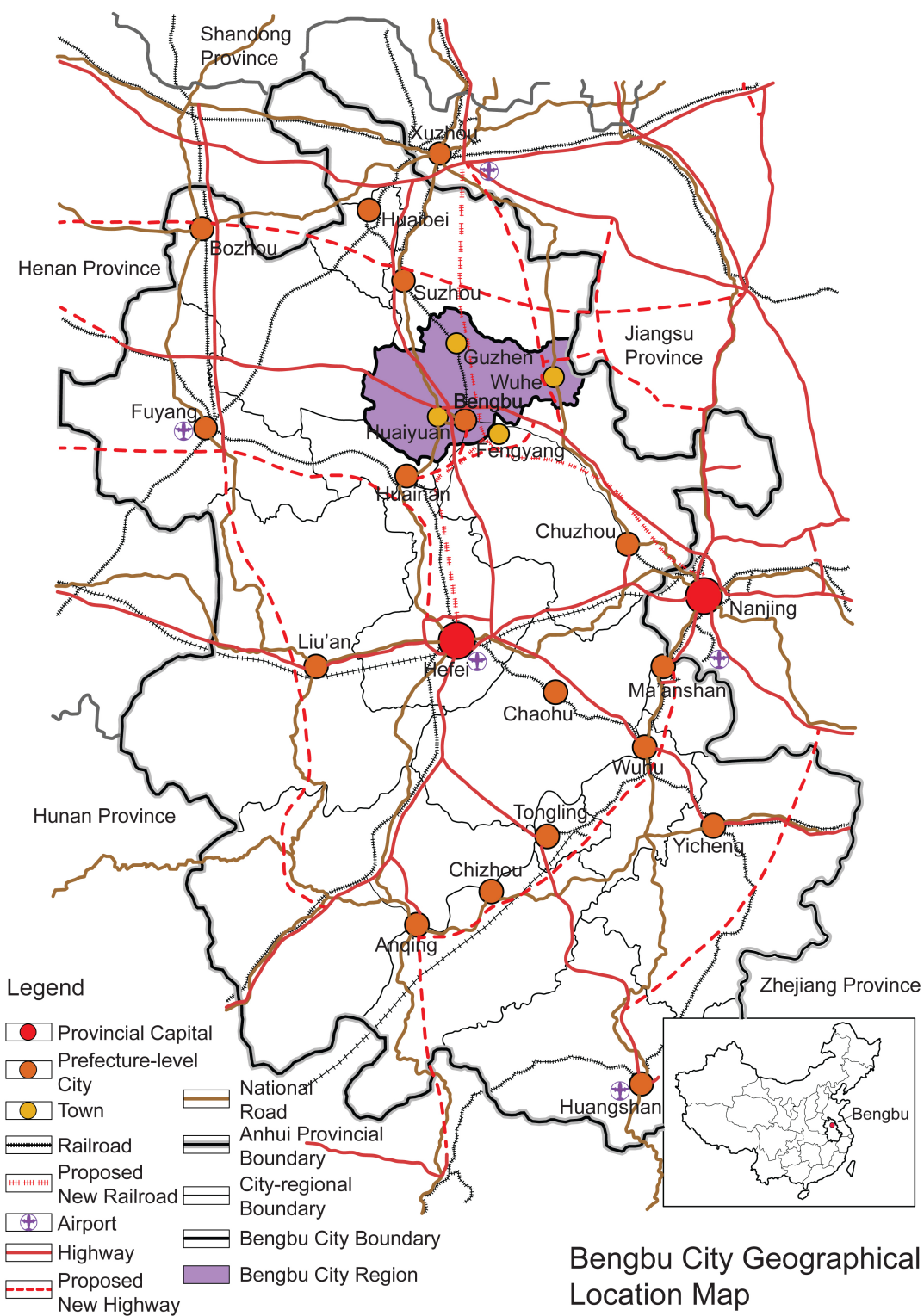


Figure 6. Bengbu City Geographical Location Map
Source: Bengbu Urban Development Strategic Plan (Tongji, 2010); revised by the author.

Since its reform and opening to the outside world more than 30 years ago, China has achieved rapid economic development. In this process, the development of state-owned economy has been negatively connected with the degree of marketisation (CNSA, 2004). The allocation of state-owned heavy industry during the planned economy has been a drag to the development of Bengbu's market economy. When other cities in Anhui Province such as Hefei and Wuhu in the developed coastal area promptly responded to marketisation and decentralisation, Bengbu had a lack of capacity and flexibility in endogenous development. From 1980 to 2012, the GDP rank of Bengbu significantly declined at provincial level (table 6). When reviewing the development path of Bengbu City, five important reasons can be identified to explain this drop-off (Tsinghua, 2010): (1) the geographical size of urban districts is relatively small, restricting Bengbu's urban development and industrial restructuring; (2) the development of state-owned enterprises dominates Bengbu's economic performance but the role of foreign invested companies is marginal; (3) it is unlikely to achieve regional coordinated development because of the weak economic foundation in neighbouring cities such as Huainan and Sùzhōu; (4) Bengbu is in the early phase of industrialisation because there are redundant labour forces in the rural area and the development of secondary and tertiary industries are still sluggish; (5) spatial development of Bengbu City is restricted by the adjacent area, resulting in irrational arrangement of living environment and industrial production which trigger a series of social and environment problems.

Since the State Council and the People's Government of Anhui Province approved on city administering counties (shi guan xian) by placing three neighbouring counties under Bengbu's administrative purview in 1983, the GDP percentage of agricultural industry increased in the 1980s. Both the GDP percentage of agricultural output and the proportion of the population working in the primary industry in Bengbu were higher compared with provincial and national levels during 1995 to 2003 (Bengbu Statistical Bureau, 2004). At the same time, the rural enterprises started to grow and the labour surplus gradually moved to the secondary and tertiary industries.

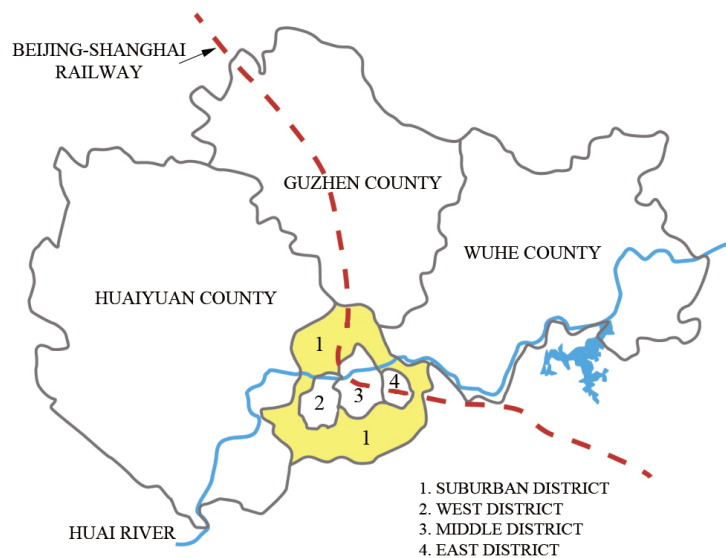
Year	1980	1990	1995	2000	2005	2008	2012
Provincial Ranking	2	5	10	11	9	9	9
Agricultural Industry (GDP %)	30.6	33.2	30.5	24.8	21.7	20.6	17.8
Secondary Industry (GDP %)	48.1	38.7	39.5	36.2	28.6	39.1	50
Tertiary Industry (GDP %)	21.4	28.1	30	39	39.8	39.6	32.2
Agricultural Industry (Labour force %)	N.A.	68	54.6	62.5	53.9	50.4	40.4
Secondary Industry (Labour force %)	N.A.	16	23.7	16.1	17.4	19.8	24
Tertiary Industry (Labour force %)	N.A.	16	21.7	21.4	28.7	29.8	35.6

Table 6. Bengbu's GDP ranking, GDP proportion and labour force percentage in three industries
Source: Bengbu Statistic Bureau (2013)

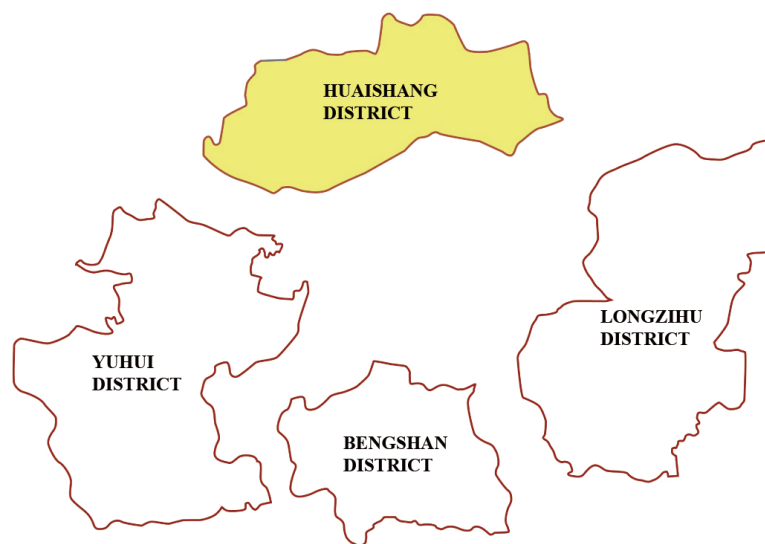
5.2 Implementation process

In China, the decision-making process of administrative restructuring does not consult local residents in impacted jurisdiction and issue public documents in advance (Cartier, 2015). In general, the Ministry of Civil Affairs (a state bureaucracy) announces the outcomes of administrative restructuring including place name, type of change, and date of confirmation by the State Council in its official website. Article 89 of the Constitution states the State Council possesses the decision-making power to change the administrative divisions of provinces, municipalities, and counties. At the same time, the State Council authorizes the governments of provinces, autonomous regions, and state direct-controlled municipalities to approve (partial) changes to administrative territorial divisions in counties, urban districts, and municipalities.

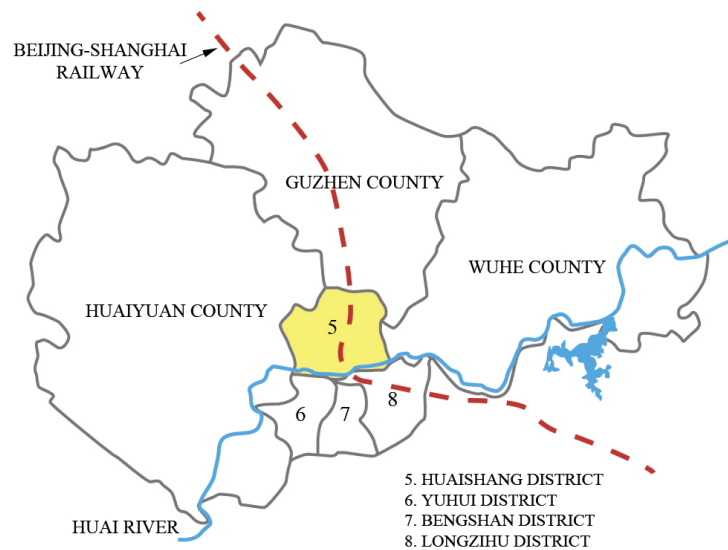
Without exception, the administrative restructuring in Bengbu is mostly a municipal government intention with the approval of upper-level governments. Due to its large-scale, it is the State Council that approved the first administrative restructuring in 2004. Intriguingly, Bengbu municipal government decided to process the second administrative restructuring, which was to annex two villages, in different times. As such, they could apply for this change through Anhui provincial government instead of going through the long processing time required by the State Council because the provincial government can only approve one village at one time (060220151).



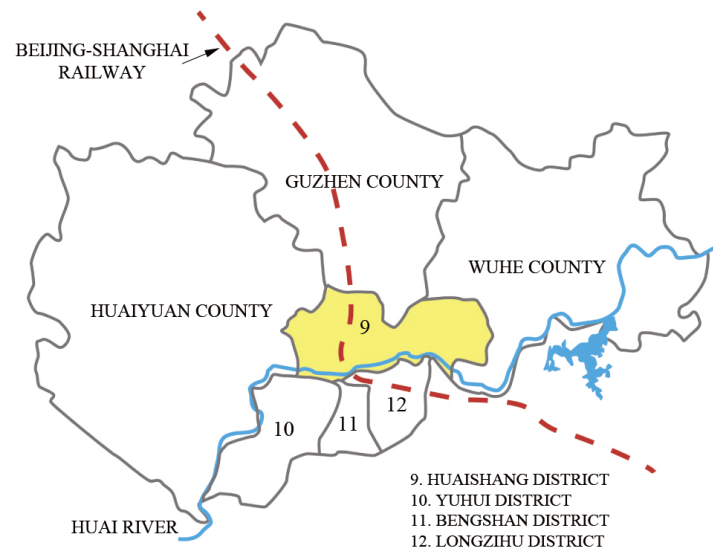
The Jurisdiction Under Bengbu City Districts Reconstructing in 2004



The Division of Suburban District to Four New Districts



The Jurisdiction Under Bengbu City after the "Districts Reconstructing" in 2004



The Jurisdiction Under Bengbu City after the "Annexation of Counties by Cities" in 2014

Figure 7. Implementation processes of two adjustments in Bengbu's administrative territory
Source: Bengbu Civil Affairs Bureau (2014); compiled by the author.

The constraint of ‘encircling cities by the rural area’ (*nongcun baowei chengshi*) in all geographical, demographical, economic, and social terms is seen as the foremost challenge for Bengbu’s urban development before implementing administrative restructuring process for the first time (interview 25032014). In 1985, the total area of the three central districts was less than 40km² while the Suburban District was more than 400km² (Bengbu Chronicle Committee, 1995). Apparently, this layout was unsustainable and unbalanced for the city development (figure 7 left up). In response to the ‘Scientific Outlook on Development’ proposed by the 16th Central Committee of the Community Party of China in 2003, which aimed to advocate and promote a comprehensive, coordinated, and sustainable development scheme, the People’s Government of Bengbu Municipality made a proposal to State Council on adjusting the division of its administrative districts (interview 25032014). On 10 January 2004, the State Council approved the proposal on Bengbu’s districts restructuring (*qu hua chong zu*), which brought a new chapter to this city’s development. During the first-time territorial adjustment, this restructuring process annexed 156km² of land from its three counties, leading the urban districts to 601.5km². In addition, names of all the districts were changed based on local history and natural resources instead of previous locational meaning: from Suburban District to Huaishang District, from East District to Longzi Lake District, from Middle District to Bengshan District, and from West District to Yuhui District. This process also divided the Suburban District into four blocks (figure 7 right up), three of which were integrated with the urban centre districts in the city south and a new administrative district called Huaishang District was built up on the north bank of the Huai river (figure 7 left bottom). It is worth mentioning that the Huai river, with a length of 1,110 km, is a major river in China, flowing through southern Henan province, northern Anhui Province, and northern Jiangsu Province. The land use spatial evolution in the urban districts of Bengbu City is seen as an along-river evolutionary process (figure 8).

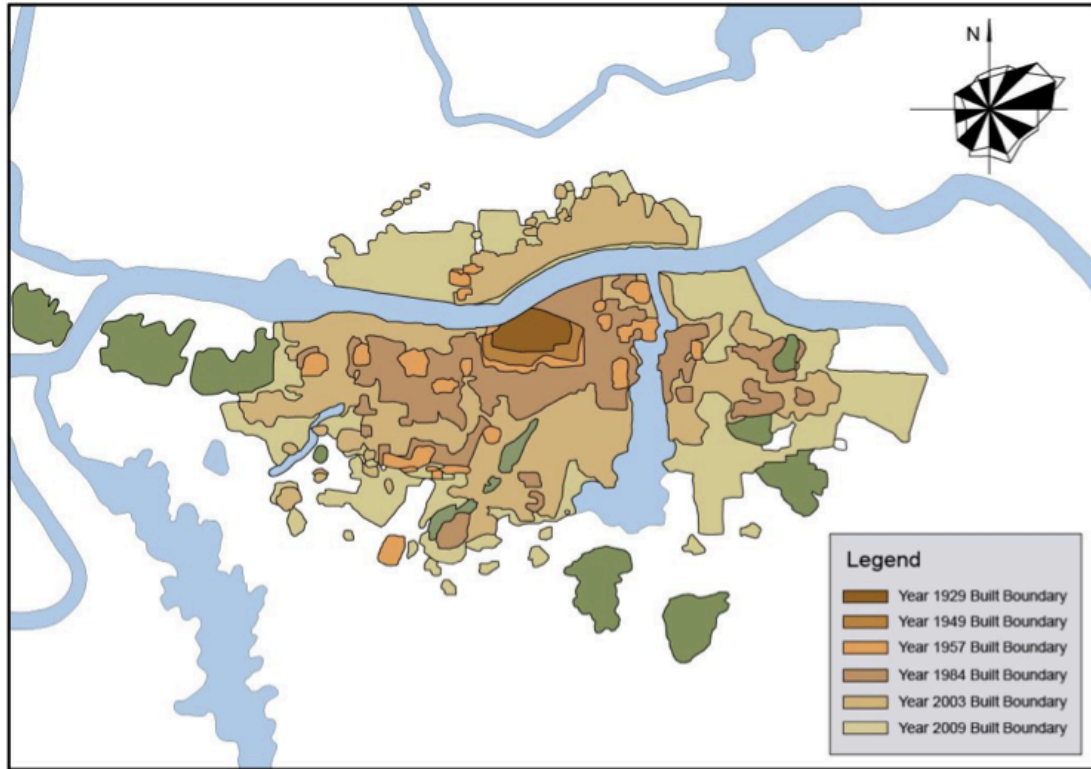


Figure 8. Land use spatial evolution in the urban districts of Bengbu City
Source: Bengbu Urban Development Strategic Plan (Tsinghua, 2014); compiled by the author.

Between March 2013 and April 2014, Bengbu implemented the second administrative restructuring –annexing part of suburban counties by cities (*bin xian ru shi*) under dual approvals from provincial government (Figure 7 right bottom). Prior to the restructuring, the total area of urban districts was 601.5 km², ranked second to last on the provincial level. Refer to figure 9, the 601.5 km² was the 2014 urban districts without Mohekou Township Administrative Area in the right top corner and Macheng Township Administrative Area in the bottom left corner. The figures in table 7 show the data of key economic factors in Bengbu. The increase rate of agricultural industry has been much slower compared with secondary and tertiary industries, and the secondary industry enjoyed the fastest growth rate. Moreover, although both the government expenditure and government revenue significantly boosted, the fiscal gap between the two numbers also remarkably increased.

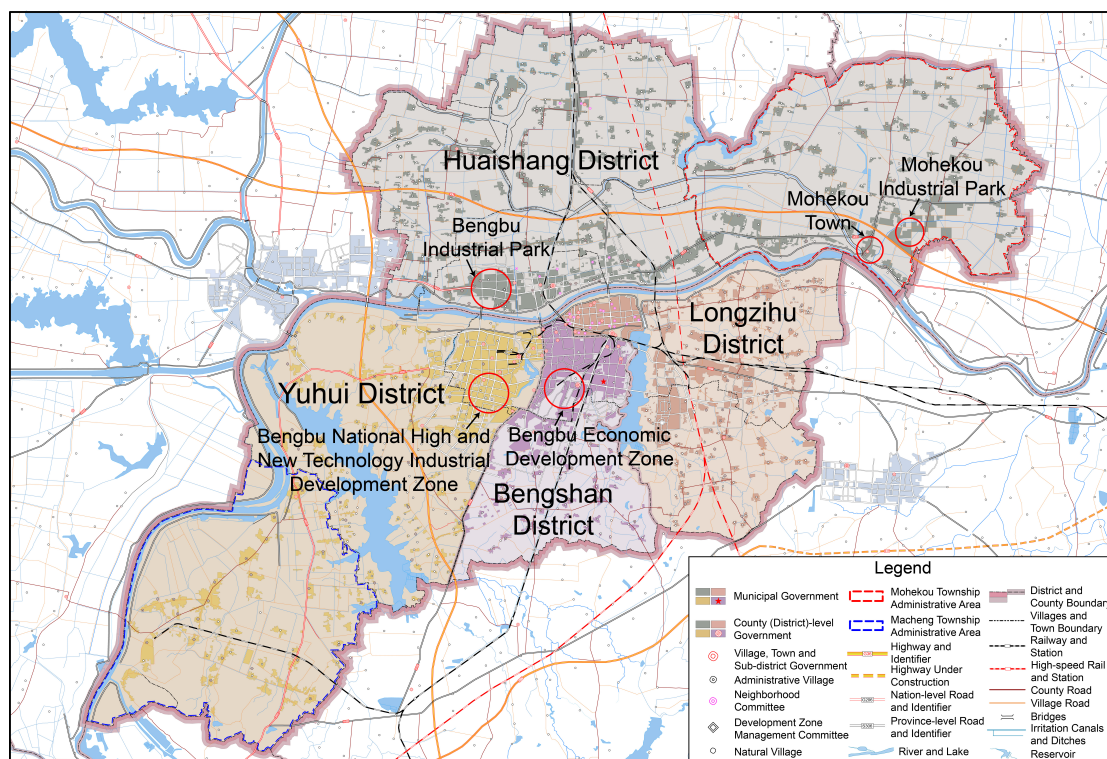


Figure 9. Administrative divisions of urban districts in Bengbu City, 2014
Source: Bengbu Municipal Planning Bureau (2015); revised by the author.

Year	GDP (trillion)	Primary (trillion)	Secondary (trillion)	Tertiary (trillion)	Gov Expenditure (million)	Gov Revenue (million)
2005	30.25	6.77	11.96	11.52	2665.27	1283.37
2006	35.9	7.53	14.12	14.25	4166.81	1683.3
2007	40.97	8.64	15.87	16.46	5500	2261.82
2008	48.64	10.01	19.27	19.36	7359.94	2750.41
2009	53.21	10.44	23.64	19.13	8772.76	3171.95
2010	63.81	12.12	30.1	21.59	10684.07	4290.09
2011	78.02	14.44	38.49	25.09	14120.99	6136
2012	89.02	15.89	44.51	28.62	16516.74	7841.57
2013	100.78	17.24	51.57	31.97	19149.91	9283.92
2014	110.84	18.2	57.22	35.42	20860	10530

Table 7. The figures of key economic factors in Bengbu, 2005-2014
Source: Bengbu Municipal Statistic Bureau (2014)

5.3 The construction of a new district: challenges and strategies

In its quest to catch up economically, the local state of Bengbu decided to establish a new district on the north bank of the Huai river, where the economic foundations and development opportunities were far from satisfactory and lagging behind other dis-

tricts. For a long time, Suburban District, based on which a new district was built up, had been considered as the pillar of the primary industry in Bengbu and the important agricultural area in Anhui Province. Driven by economic reform, the development strategy in Suburban District has gradually shifted to ‘strengthen industry, promote commerce and trading, as well as maintain agriculture (*qianggong xingshang wen-nong*)’. In 2001, the GDP in the three sectors in Suburban District were 22%, 49%, and 29% respectively, with a great increase in the secondary and tertiary sectors compared with the old time.

The districts restructuring (*qihua chongzu*) implemented in 2004 completely changed the jurisdiction and the size of Suburban District, and a new Huaishang District was established with the total area of 236.5 km². From 2013 to 2014, Huaishang District further annexed Mohekou Town from Wuhe County, enlarging its geographical area to 403 km².

5.3.1 The formation of a new government

It was not easy to develop a new district a river away from the city centre. When the municipal government led the efforts to construct Huaishang District, the first challenge was the formation of a new government (interview 10022015). In general, administrative authority at a higher status has decisive power to dismiss and appoint officials at the lower level, and this appointment normally takes place between two neighbouring levels of government. In general, decided by the municipal government, the district secretary of Chinese Communist Party (CCP) and the district chief of Chinese government are the most important positions at the district level. Based on the interviews with district officials, the formation of a new Huaishang government, in particular the appointment of these two positions, was a deliberate decision by the municipal government: In the first term, the district secretary, who was shifted from the position of deputy secretary in the Party Working Committee at the municipal level, is considered as a person with strong awareness of reform and rich knowledge in the economic development of Bengbu.

I was surprised to know that I was the first choice of candidate for the district secretary at that time because previously I had served in the bureau of electronic industry, development and reform commission, and economic and trade commission, all of which were at municipal level and related to industrial development instead of agricultural production ... To be honest, I even recommended the director of municipal agricultural commission to the mayor because traditionally this district was mainly an agricultural area and I thought they would arrange a person with knowledge and experience in agricultural development in this new district ... It was not until I was told the first priority in Huaishang's development was to functionally integrate into the urban area rather than to remain as a suburban agriculture area, that I realised why I was selected. (First-term secretary of Huaishang District, 2015)

On the other hand, the district chief had worked as the vice secretary in the previous Suburban District and as a vice chief in Huaiyuan county before was appointed in the Huaishang District. Therefore, he was not only familiar with the local strengths and weaknesses but also experienced in the development and governance of the rural area. In such an arrangement, the appointments of an economic reformer from municipal government and a former local cadre from county government were widely acknowledged among interviewed officials. Despite the fact that their jobs did not interact before establishing the new district, their cooperation was seen as a successful one.

Very often in China, key local officials are appointed within their term of office for five years. It is widely criticised that the frequent change of political leaders can produce inconsistencies in local development strategy, making urban development less functional than prestigious (Cartier, 2005; Qian, 2013). The appointment of leadership in Huaishang also follows this general five-year routine, but the impact of the first term has been substantial among local cadres. Since the new district was established in 2004, there had been two times of political changes with three governments. Each government has been in charge during a certain time span. Instead of completely changes in key politicians, the ex-district chief has replaced the next round party secretary twice. In China, major/chief is mainly responsible for all the administrative work while party secretary is in charge of ideological and political work, as well as

the general guidance. In this regard, the political arrangement in Huaishang is strategic and thoughtful.

Before 2004, the local cadres' proficiency was in organizing agricultural production and arranging farmer's activities. Therefore, the thorny question was how to redirect their thoughts from a rural to an urban perspective. The philosophy put forward by the first term secretary in managing local officials is that "give a man a fish and you feed him for a day, teach a man to fish and you feed him for a lifetime" (interview 10022015). He regularly organized formal meetings to introduce the mechanisms and influences of market economy and economic reform, in order to enable these people serving in the new district government to understand their challenges and to seek for corresponding solutions. According to a local reportage, the leadership of the first term secretary and chief not only made powerful influence on other local officials in their term of office, but also acted as role models for the following governments (Jin, 2015).

On the other hand, however, the participation of local residents in political affairs is rather limited. This can be seen from the feedback that most of the respondents reported that they did participate throughout the development of the new district. Moreover, they expressed that the leadership transitions have made no influence on their lives. Although it is not unusual that the party secretary and mayor have great discretion in urban development and city planning, it has been subjected to considerable criticism because the chance of promotion in the government administrative hierarchy is identified as a major reason behind rampant intercity competition through putting forward ambitious urban plans (Ye, 2001; Wu & Zhang, 2007). By appointing an urban governor who has expertise in economic reform and a rural cadre who is experienced in leading local officials, the Bengbu municipal government intended to promote a revolutionary reform rather than remain on a traditional development path. The question is whether this development redirection is worthy and if the new district government can deliver an appropriate local economic development.

5.3.2 District positioning and economic restructuring

Chinese cities are used to positioning themselves with reference to a famous global city or region. Examples can be seen as Geneva of the Orient called by Hangzhou City and Suzhou City, Little Paris of the Orient called by Harbin City, and Hollywood of the Orient called by Hengdian Village. To place itself as an important part for the municipality, Huaishang District has been continuously making efforts to strategically target a role model. When Huaishang was established in 2004, the district government proposed a slogan that “to create ‘Pudong’ in Bengbu” (interview 10022015). The rationale behind is although Pudong was an agricultural area in Shanghai for more than one century, government decisions and development policies made it an international financial centre nowadays (Zhang, 2005). In 2003 when Anhui provincial government suggested that Bengbu should be developed as the central city in Northern Anhui even the Central Plains of China, Huaishang District was positioned as a sub-centre in the city of Bengbu, a base for modern logistic, a processing industry hub and an agricultural tourism centre (interview 060220151).

Every municipality has its own strategy to deal with institutional arrangement, urban planning, three industries, rural-urban integration, and ecological environment management. As one of the hundreds of municipalities in China, Bengbu has always followed the national and provincial strategies especially the part particularly related to us. When we issue policies for our administrative districts, it should be strictly and carefully accorded with a series of top-down policies. (A vice mayor in Bengbu Municipal Government, 2014)

Urban development goals in Chinese cities have been constantly set and reset due to a mix of reasons such as changing socio-economic contexts, the analysis of city's strengths and weaknesses, the challenges posed by surrounding regions, and the ambitions of local politicians (Qian, 2013). Huaishang District has also gone through a series of planning and development goals with similar and diverse foci. Since the district was established in 2004, a general target of ‘urban-rural integration’ and a specific ‘one river and five functional sub-districts’ plan have been accepted, highlighting the district was expected to be functionally embedded in the urban area with the con-

struction of a modern logistics park, a commercial residential area, a new site for education, culture, and political purposes, an industrial park, and an ecological park. Projecting the future development in the initial phase is critical and important. On the other hand, the post-development goals were more like supplements to the original one rather than significantly influenced by the change of local politicians.

Huai river horizontally divides the city to two parts, and the disparity between the two can be seen not only in the industrial and commercial environment, but also in the financial development and education condition. Therefore, how to make the overall development cross the river should be the main assignment for Bengbu. To achieve the goal, challenges lie in encouraging local population towards the production of secondary and tertiary industries and transferring land from agricultural use to industrial construction. (First-term secretary of Huaishang District, 2015)

The comparison between Current Land Use Condition in Huaishang District in 2009 (figure 10) and Huaishang District Land Use Planning 2006-2020 (figure 11) reflects the substantial change in the land use of Huaishang. It can be clearly seen that, along the Huai river, a large sale of agricultural land was planned to be transferred for urban construction use. In addition, more construction land plots were scatteredly planned across large area of basic protected farmland zone. As a local key cadre commented, compared with other three districts in the old (even current) urban core area, the most remarkable comparative advantage of Huaishang is land, especially when it comes to industrial development (interview 060220151). For his understanding, “land makes everything possible”.

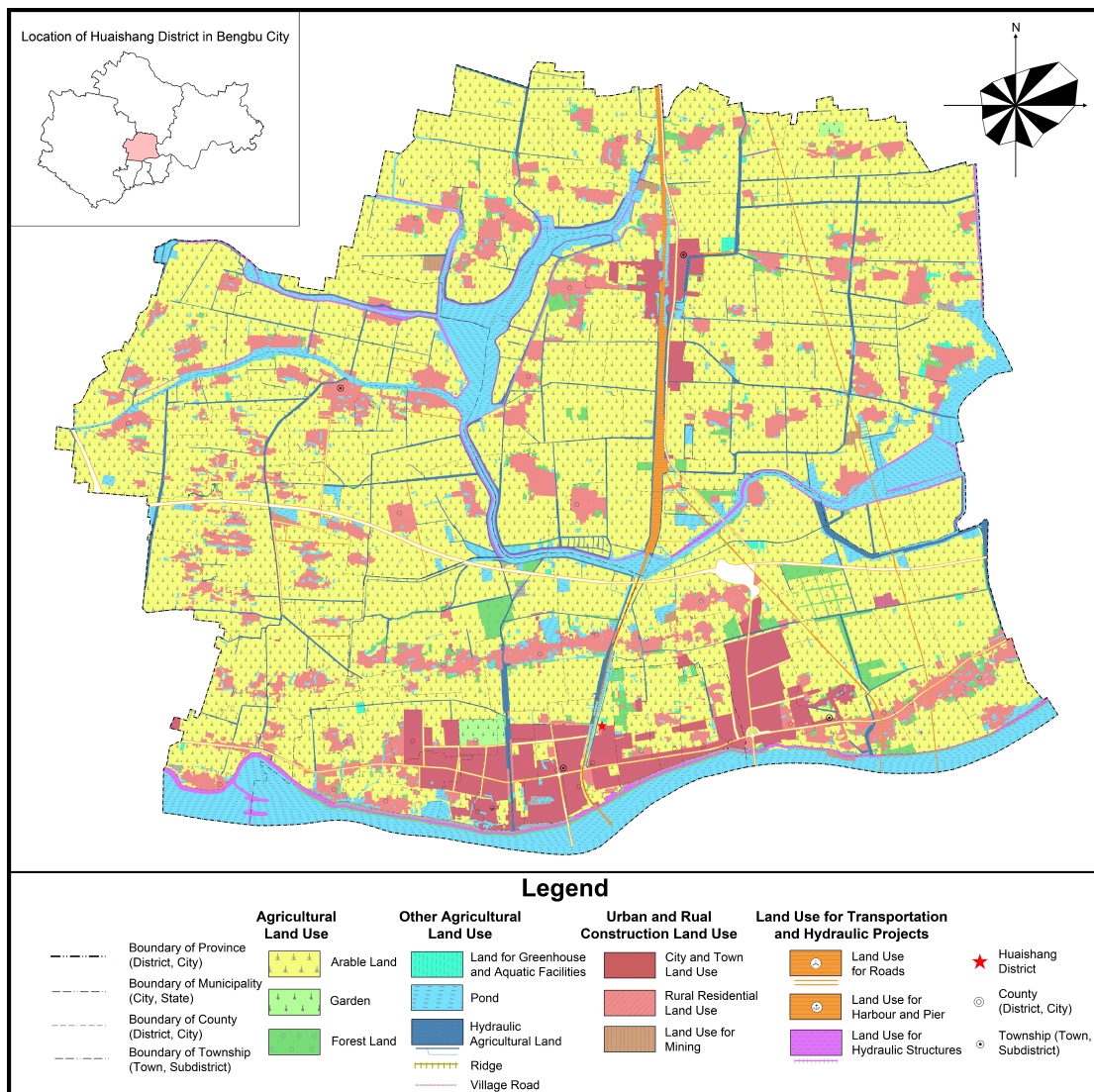


Figure 10. Current Land Use Condition in Huaishang District, 2009
 Source: Bengbu Municipal Planning Bureau (2014); modified by the author.

In 2003, a county-level industrial park was established in Mohekou Town, which was gradually upgraded to a provincial-level economic and development zone in 2006.

There have been signals of this annexation before its implementation in 2013. Although being approved by Anhui provincial government in 2008, Bengbu City Master Plan (2008-2020) was brewed in 2000 and initiated in 2003 (Zhao, Wang, & Liu, 2013). In this plan, Mohekou industrial park, as one of the only two parks in the Wuhe_Economic and Development Zone, has been arranged as the potential relocation site for several state-owned chemical enterprises. The common characteristics among those enterprises are large-scale, heavily polluted, and previously located in the urban core area. In 2009, Bengbu municipal government issued a document that clearly put forward the ‘exit from urban and enter park (*tui shi jin yuan*)’ plan on chemical enterprises’ relocation and the detailed implementation. In order to correspond to the national call on suppress the secondary industry and develop the third industry (*tui er jin san*) in the urban area, the municipal government of Bengbu attempted to stimulate the real estate development in the old urban centre by relocating the heavily polluted, energy waste, and less profit industries. The rationale behind the annexation was to upgrade industrial structure as well as optimise industrial layout (interview 25032014). The administrative annexation was expected to provide more land for industrial development and urban expansion (interview 10022015).

A local online forum of Bengbu offers an informative account, showing that people living in the city centre have a supportive attitude on the relocation of chemical enterprises (Bengbu Forum, 2011). However, when asked about this relocation proposal, local stakeholders living in Mohekou Town expressed great concerns over recent degradation of their homeland’s environment including drinking water and air quality. Furthermore, since Bengbu is located in the middle of the Huai river, the habitant living in the lower reaches may also be affected if pollution exists. The concern is not misplaced. Five years ago, the industrial pollution in Longzihu District of Bengbu City, where those state-owned chemical enterprises that are located in Huaishang District were placed before, once attracted global attention. The reason is that the documentary film ‘The Warriors of Qiugang’, which tells a story about how a group of

Qiugang villagers in Longzihu District of Bengbu City fought the poisoning of their land and water by three chemical plants, was nominated for an Oscar for best Documentary Short Subject. According to the released news (Xinhua, 2014), two chemical factories in Qiugang Village directly polluted 10 ponds and hundreds of acres of land because of excessive emissions and other pollution problems, resulting in quite a few people suffering from cancer and drawing considerable negative attention. Although the two factories were relocated to Huaishang District in 2008, no crops have been successfully grown in this area. This evidence of heavily polluted enterprises relocation resonates with Zhang's (2005) argument that the public policy can produce not only the advantaged and disadvantaged residents but also the advantaged and disadvantaged regions.

At the end of March 2014, Mohekou Town suggested a 'four-in-one (*si wei yi ti*)' strategic planning, which was to develop the chemical industry in the east, to reserve land for residential and public use in the west, to promote commercial district in the south, and to encourage agricultural production in the north. Shortly after the strategy was released, the municipal government formally launched the relocation of two large-scale and state-owned chemical enterprises from central districts to Mohekou industrial park. The existing literature shows a juxtaposition of agricultural, industrial, and residential and leisure activities in the urban periphery has been widely witnessed in Chinese cities, even cities in other Asian countries (McGee, 1989; Ma & Wu, 2005). Apparently, creating many different kinds of functions in one locality can be unsustainable and irrational.

It should be noted that the two adjustments in Bengbu's administrative territory and related government-led industrial development in Huaishang District have dramatically changed local economic construction and promoted local economic growth (figure 12). From 2004 to 2014, the GDP in Huaishang has increased from RMB 800 million (US\$123 million) to RMB 8 billion (US\$1.23 billion) and the annual growth rate is 28% with the total fiscal revenue has improved to RMB 901 million (US\$138 million) (Huaishang District Statistical Bureau, 2015). In addition, at the end of 2013, the proportion of industrial and tertiary sectors stood for almost 87% of the GDP, indicating

the traditional agricultural industry only accounted for 13%. Moreover, there were 73,000 people working in agricultural production, falling to approximately one-fourth of local population.

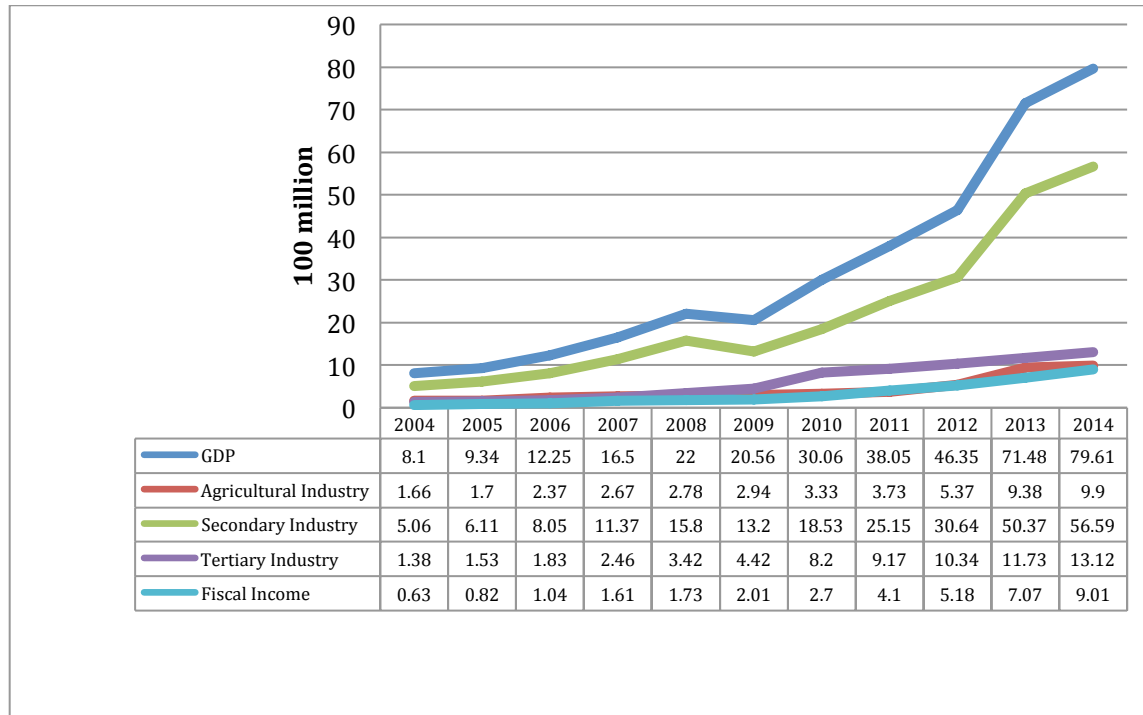


Figure 12. Key economic factors in Huaishang District, 2004-2014
Source: Huaishang District Statistic Bureau, 2014

Although the urbanisation rate has increased from 11.2% to 21.7% from 2004 to 2014, there exists a significant mismatch between the population percentage working in non-agricultural production and the population percentage having urban household registration (hukou). Figure 13 reveals that although the population with urban hukou has gradually lifted, there is still a majority of local population holding rural hukou after eight years since the new district was established. This statistic number indicates that the administrative restructuring process has not brought most of the local people an authorized access to urban service no matter they came from urban or rural area before 2004.

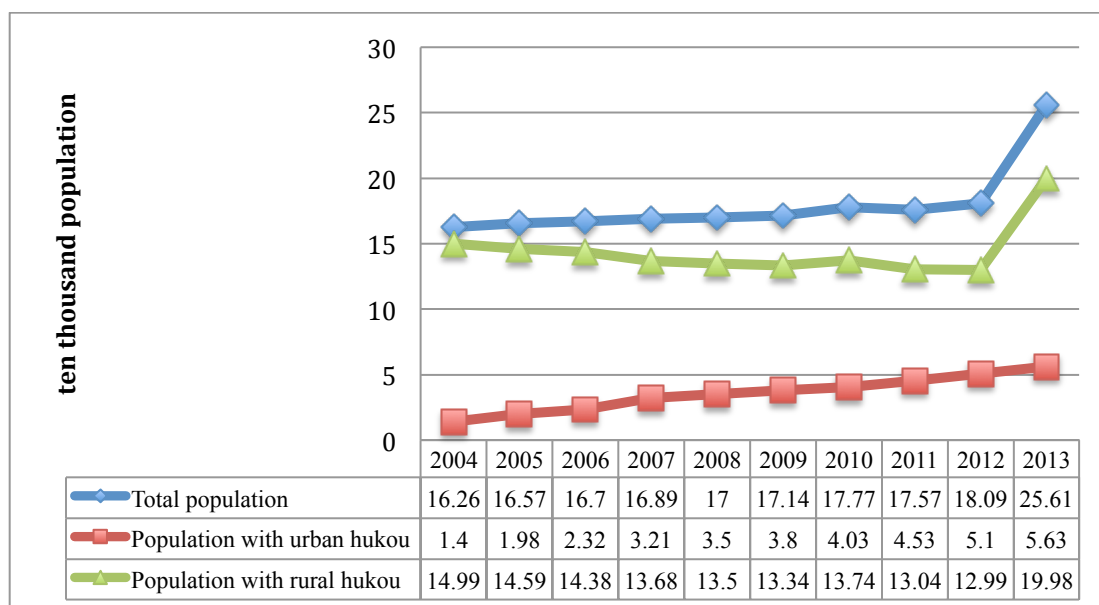


Figure 13. Population information in Huaishang District, 2004-2012
Source: Huaishang District Statistic Bureau (2014)

In terms of an inclusive and productive labour market, the factories and firms located in and removed to Huaishang District have indeed provided a large number of job opportunities. Interviewees mentioned that local stakeholders especially the middle-aged group and the young generation can earn higher income from industries than agricultural sector, and they recognize the contribution of government in promoting local economic growth. The owner of a company, which was established in the same year as this district, pointed out that more than 90% of the labour force in her company was from local and a standard social insurance was provided to those people by the company owner in accordance to the national regulation; nonetheless, as a witness of this district, she also showed the concerns about the inefficient land use in industrial development (220620151).

5.3.3 The development of large scale infrastructure projects

The Pudong New District on the east bank of the Huangpu river in Shanghai delivers a positive example that disadvantaged geographic locations do not necessarily mean fewer development opportunities (Zhang, 2005). After the municipal government put Pudong as the first priority in Shanghai's development, four bridges and two tunnels were built cross the Huangpu river, connecting the downtown of Shanghai and the

new international financial center Pudong. Similarly, the Huai river was seen as a transportation threshold that made north bank 50 years behind south bank (a general perception among local governors and residents). Once the municipal government decided to develop the north area as an independent administrative district, bridges became a crucial part in linking the new district and the other three located in the south bank of river. Currently, the fourth bridge is under construction, and the first tunnel will be built soon according to the government plan. Looking back to 1980s and 1990s, there was only one bridge between south and north bank of the river and before this bridge, the only way to cross the river was by ferryboat. According to the Bengbu Municipal Planning Bureau (2015), there is a huge job-housing imbalance between Huaishang District and other districts on the south bank of Huai river. According to our investigation, the major reason behind the fact that a large number of workers in Huaishang District prefer to live in other districts in the urban core is the insufficient of public service provision such as schools and hospitals, as well as a lack of beautiful landscape. Since the nature of this new district was largely rural area before 2004, other infrastructures such as roads, water supply, and sewage system are equally important in Huaishang's construction.

The expansion of services into annexed areas is given substantial consideration in some regions of Western countries. For example, in the state of North Carolina, the municipality, which seeks to annex surrounding area, must prepare a report including a statement clarifying the plans for extending major public services to the annexed area and a reasonable timetable for extending water mains and sewer lines within two years (Ubell, 2004). Meanwhile, in China, the effective date of developing infrastructure in the impacted area and how to finance these projects are quite flexible and largely dependent on the agenda set the by local government itself. China's local governments are responsible for funding social services, public works, and infrastructure development, but they have limited access to tax revenues (Walder, 1992). Therefore, land becomes an important asset to gain local revenues in this process. Although the 1994 Budget Law claims that subnational governments are prohibited from directly borrowing, "it has been an open secret that all local governments undertook indirect

borrowing through a variety of specially established companies or other entities for off-budget borrowing” (Grewal, Cheng, & Rasmussen, 2015, p. 359).

Although the rural industrialisation was well developed in the former Suburban District, the new Huaishang District was left with large-scale agricultural land in the beginning. To compensate the low local fiscal revenue and feed the district in a normal routine, the municipal government decided to transfer the tax revenue from top ten companies at the municipal level to Huaishang District (interview 060220152). Additionally, in the initial phase, Bengbu municipal government allocated RMB 5 million (US\$768,000) without enumerating the detailed use of this budget (interview 060220151). However, this amount of money was far from sufficient for an area developing into an independent and functional urban district, not even enough to build a new government building. The solution of this district government was to register a state-owned investment and development company in order to raise capital with the limited funding (10022015). Not surprisingly, the corresponding person of this company, named River North New District Development Co. Ltd, is the district chief. In 2010, an RMB 900 million (US\$138 million) loan were provided by Anhui Commercial Bank (*huishang yinhang*) and China Development Bank (*guojia fazhan yinhang*) through this state-owned company, and this amount of money was reportedly used for land loss farmers’ resettlement. As a district developed from an agricultural area, the infrastructure construction in Huaishang needed a significant amount of investment, and the aforementioned open secret became an important fundraising strategy. By the end 2013, it was estimated that the total investment in Huaishang’s infrastructure was approximately RMB 7 billion (US\$1075 million). Although no official data has been released on land leasing fee in Huaishang District since its establishment, there are a few clues we can grasp from the published information (Jin, 2014). In 2014, Huaishang District leased 24 land plots in total 0.5 km², among which 22 have been used as industrial use land (Bengbu Municipal Bureau of National Land and Resources, 2014). In return, the district government received 19 million RMB (US\$2917,000) as land leasing fee. This land leasing income of Huaishang District in 2004 is almost the same in 2015 (Huaishang District Finance Bureau, 2015).

BT and BOT, referring to Build-Transfer and Built-Operate-Transfer, are two new project financing modes appearing in China since the early 2000s. Their popularity in China is because through a BT or BOT contract, a private company is allowed to receive a concession from the public sector to finance, design, construct (and operate) a public project, and this company can gradually obtain its costs and revenues through payment of instalments and a fee charged to the utility. The difference between BT and BOT is that the latter one allows the company to be paid through operation rather than by the government as a lender. Regardless of BT or BOT, both of them are seen as a typical public-private partnership (PPP) arrangement, which are defined as partnerships “between the public sector and the private sector for the purposes of designing, planning, financing, constructing and/or operating projects which would be regarded traditionally as part of the public sector” (Webb and Pulle, 2002, p. 1). The term was first applied to the provision of public service such as schools and hospitals in the Western countries (Engel, Fischer, & Galetovic, 2010). In China, PPP was first applied in industrial development, followed by infrastructure construction during rapid urbanisation process (Wang, 2013; Zhang et al., 2014).

In the planned economy, the principle was to do what we can do with what we get. Under the market economy, we local government have to come up with new ideas about financing public projects such as infrastructure construction. So far, BT has been adopted to finance the government building and roads, and BOT has been used to fund water supply and sewers. (Head of publicity department in Huaishang District, 2015)

Moreover, revenue obtained from the recruitment of enterprises and land development, as the following discusses, can be used to develop urban infrastructure which in turn improve its environment and accessibility for attracting investment. Although the district government has made efforts to speed up the development of large-scale infrastructure, most of respondents in this study suggested Huaishang District is still in an urgent need of better infrastructure construction and more public facilities.

5.3.4 Local government's strategies for attracting entrepreneurs and land developers

A direct consequence of the decentralisation of economic decision power in China is that each local state is interested in attracting business and concentrating investment in its own administrative area. To meet needs for economic growth and urban development, the recruitment of appropriate enterprises and investment has been one of the top priorities since the first-term government in Huaishang. In this regard, local cadres tend to take a proactive role in building this public-private partnerships and to act as a service provider in the collaboration process.

In Huaishang District, the entrepreneurs are the most respected group. I often remind our local officials that our salary is from those entrepreneurs' contribution to tax, which accounts for a large percentage of fiscal income. Without the considerable increase in their investment, it is unlikely that we can achieve the economic growth like now (First term secretary of Huaishang District, 2015)

In the early days of rural industrialisation, the cadre network was an important means for processing contracts with large firms and how tight local decision-makers were connected to this cadre network can, at some extent, influence the success of local economic development (Oi, 1999). It seems this cadre network still plays a significant role in attracting entrepreneurs. After a certain number of small and medium enterprises were attracted to Bengbu Industrial Park and Business Logistics Park in Huaishang, the current government started to target the large-scale and well-established firms. In order to show interests in attracting a leading domestic fashion sportswear brand to locate in Huaishang, the district secretary even invited the municipal secretary to join a business visit in Fujian Province, and finally made a successful contract. In addition, the municipal customs once advocated Huaishang District as the only option to place a bonded logistic centre in the city because the district secretary insisted this centre would be complementary to other on site large-scale firms. In the initial phase of district development, there were only 25 projects with more than RMB 2 million (US\$ 307,100) invested. By the end of 2013, 1,200 projects had been built or were under the construction, and 250 projects have been invested more than

RMB100 million (US\$15.37 million) (Jin, 2015). Notably, Yiwu, the largest small commodity market in the world, which originates from Yiwu Village in Zhejiang Province, also set up a branch in Huaishang District with more than RMB10 billion (US\$1537 million).

As a district that used to have an agricultural-based economy, the large-scale industrial development and investment attraction can hardly be irrelevant when it comes to land acquisition, housing demolition, and resettlement. According to a village secretary, as a standard compensation, those affected residents received a quota of 45 m² per capita in housing resettlement as well as roughly RMB10,000 (US\$1535) relocation allowance per household (Jin, 2015). To a large extent, this compensation mechanism based on a ‘demolition after replacement’ strategy can be seen as a precondition for the smooth industrial development. However, many local informants suggest that they or their families have encountered some unpleasant experiences and the negative comments include compulsory demolition, insufficient financial compensation, unreasonable compensation mechanism, and old-fashioned resettlement apartments.

On the other hand, it is unlikely that the construction of the new Huaishang District has provided a better place for urban dwellers to live, which can be indirectly proved by the job-housing imbalance between Huaishang District and other districts on the south bank of Huai river. According to an online property trading service platform (2016), the average housing price in Huaishang is around RMB 4042/m² (US\$609/m²), which is 17%, 22%, and 50% lower compared to other three urban districts respectively. However, what behind the low price is a concern over the high vacancy in the housing market. Even though there is no published data about the vacancy rate level, in an online forum, a post about ghost town in Huaishang once triggered a hot debate among local stakeholders, and different opinions were put forward about the future real estate price (Bengbu Forum, 2013). The direct observation in this area also witnessed large dark areas in the commercial real estate property in Huaishang District in the evening. According to official data, there are few if any land plots being leased for residential use in the past three years, indicating the over-supply of real

estate properties has already attracted attention from the public sector. This concern echoes with a study in which CLSA analyst Nicole Wong and a team of analysts spent one year investigating China's ghost cities (Chen, 2015). They suggest that compared to mega cities and large cities, the problem in the real-estate market is the serious excess supply in medium- and small-sized cities. The reason is that local governments want to gain revenue from vast land but they fail to create enough jobs and attract enough residents. Wong's team further predict that sales in these medium- and small-sized cities may shrink by 60% between 2013-2020. Unfortunately, there is no official data being released on vacancy rates in Chinese cities, and professionals have not reached a consensus on the most suitable approach to calculate this number. Nevertheless, the national statistics bureau reported 8728 billion yuan, or around 1316 billion US dollars, in domestic property sales through 2015, which accounted for almost 13% of China's GDP (China State Statistical Bureau, 2015). Moreover, till the end of 2015, there were 718.5 million square meters properties under sale, which were higher than half of the properties sold in the whole year (China State Statistical Bureau, 2015).

Chapter 6. DISCUSSION

6.1 Administrative restructuring as a strategy of urban governance

6.1.1 Motivations

Chinese cities have been making tremendous efforts to address urban problems through administrative restructuring, in order to sustain urban growth and improve city competitiveness. Behind the popularity of typical approaches such as annexation of sub-urban counties and urban districts merge and reorganising in the recent decade, there lies a variety of reasons including pressures from limited urban area, local state's ambition, and more spaces needed for economic and population growth. This case study of the changes at Bengbu City shows that to break the development re-

striction produced by the traditional circle-shape Suburban District is the most important reason for local cadres' consideration. In other words, to release more land for urban development has been the major motivation behind the two adjustments in Bengbu's administrative territory.

It has been commonly assumed that cities are growth engine and innovation hub in China (The Economist, 2015). In this regard, Richard Florida and his colleagues attempt to examine the degree to which China's massive economic growth, rapid urbanisation, and expansion of its cities have come to reflect the underlying human capital, technology, and creativity (Florida, Mellander & Qian, 2012). After some sophisticated modelling and multivariate analyses, intriguingly, Florida et al claim that none of the above factors is associated with China's dramatic economic growth, casting doubt over the sustainability of China's phenomenal economic transition and urban development. Following up with Florida et al's research, Lin (2014, p. 1815) argues that what is missing in their study is "the functioning of land and capital as two basic factors of production in China's urbanisation". In a similar way, Bai, Chen, and Shi (2012) also argue the rampant land development in China acts as both drivers and results of such an unprecedented economic growth, warning that under the current economic growth model, it is difficult that urban expansion control can be achieved without sacrificing economic growth and stopping the loss of agricultural land. However, blaming one of the key production factors is unfair to land. The fundamental issue should be how to use and manage the land resource. In the case of Bengbu, land, together with the beneficial transportation system, once provided a comparative advantage for local development because it made the city as one of the national grain depots and an interchange for food industry. In particular, for a long time, the Suburban District, based on which the new Huaishang District was built up, had been considered as the pillar of primary industry in Bengbu and the important agricultural area in Anhui Province. Under the circumstance that China is facing serious pressures from food security issue and land degradation, the redevelopment mode of Huaishang by the means of transferring an important agricultural area to an industrial region with relocation of heavily-polluted chemical factories in the administrative restructuring process is subjected to criticism.

Over the past three decades, land development has undoubtedly become a main resource of revenue generation and capital accumulation for local governments. According to a report published by World Bank and State Council in 2014, the urbanisation of land in China has happened faster than demographic urbanisation. Today, more than 770 million people live in the urban areas, almost four times compared to the nearly 200 million in 1980 (NSBC, 2016). Taking China's more than 260 million migrant workers into account, it cannot be denied that administrative restructuring also accounts for the increased urban population although to what extent remains unclear. This means that a large number of urban inhabitants live in a city not because these people decided to move to city but because the city moved to them.

China's development priority has been shifted from emphasising political goals toward promoting economic liberalisation (Fan & Scott, 2003). Therefore, the previous invisible wall separating a large rural area from a small urban centre has to be demolished, and administrative restructuring becomes a strong government intervention, aiming to enhance urban-rural integration and reconfigure the central city and surrounding counties territorial relationship in a metropolitan region. The approaches and significances have ranged widely, with city-administering counties in large cities during the 1950s, abolishing counties and establishing cities started from the YRD and the PRD during 1980s and 1990s, and prevalent urban annexation of surrounding counties and districts restructuring in the recent two decades.

Although critics question that little attention has been paid to other agents of development with possibly an overriding importance of state plans and interventions (Fan, 1997), the evidence of Bengbu shows that the important signals sent from central government through China's administrative system are still of significant importance. Moreover, in the process of China's rapid development, the complexity deeply lies in changes in governance at difference levels of government and their interactions. In this case, the regional governance, which is "how local governments compete and cooperate with each other in the region" (Zhang & Wu, 2006, p.4), as well as provincial government also determinedly influence the administrative restructuring process in Bengbu. The determination to be the most developed city in northern Anhui Province

drives the local officials to redraw the urban boundary again and again in order to develop land-based and growth-oriented industrial development. Anyone interpreting the message from higher-level governments to local practice should be aware of different local conditions and new market force. In another study (Lin, Yin & Ma, 2011), the impact of the central state on a second-tier inland city is considered much less than that of the local city government. Nonetheless, it is risky to separate the impact into central and local perspectives because the directions of state guidelines have a powerful role in developing local policies, especially for those regions with a low level of development and a low degree of autonomy. In general, the paradox between state and market still points to current dilemmas between the state and its objects of governance (Cartier, 2005). Moreover, this case study shows that the discussion of central-local relation can by no means only indicate the shuffling power between two administrative level governments. The multi-layer administrative system in China decides that facing tightened local budget constraints and a top-down political arrangement, the lower level government such as district government tends to engage in the local economic development as a major and dominant participant.

6.1.2 Processes

Aiming to promote the urban-rural integration, facilitate the city-wide planning and remove the barriers for the expansion of urban built-up area, Bengbu has gone through notable administrative restructuring including urban districts reorganisation and annexing part of suburban counties. In particular, a new administrative district has been established in the north of the city by replacing the old Suburban District and annexing huge area from surrounding counties. What the new Huaishang District in Bengbu has experienced in the past decade is partially consistent with Shieh's (2011) argument: from the macro perspective, urbanisation is the direct result of rural-urban integration because rural populations are entitled with urban residents now; while from the micro perspective, this integration can be seen in the fact that villages are recipients for the granted piecemeal urban status and rural land is subject to the process of transition.

To functionally integrate the new district into the city, the process of administrative restructuring can be manifested in all social, political, and economic dimensions. In the social term, the new district government has taken a proactive and strong role in providing public service such as infrastructure, in which process government-initiated companies and public-private partnerships act not only a facilitator but also an enabler. Even though through PPP, the municipal government and the private sector share the financial burdens as well as economic benefits, these two are also regarded as the major two resources of local government debt which may pose risks and challenges to local development (Grewal, Cheng, & Rasmussen, 2015). Since some urban infrastructure such as bridges and roads take a long time to construct and an even longer time to mature, the risk lies in the difficulty of assessing their efficiency (Harvey, 2012).

Through sending political elites, who are determined to market force and economic reform, it is hoped that local development in Huaishang District can be redirected and promoted to urban-favoured and growth-oriented mode. Huang (2008) argues that the leadership transition plays a decisive role in China's development. In contrast to the top Communist leaders in the 1980s who gained prominence first as officials in the poor and agricultural-based rural area, the new politicians in the 1990s were promoted from Shanghai where they adopted a heavy urban bias development strategy prior to taking the role of state leaders. A series of urban-biased policies enumerated by Yang (1999) and Li (2003) vividly illustrate the state's preference on urban area, including governmental regulation on the agricultural products dealing price, favourable welfare systems to the urban residents, the unreasonable tax burden on rural populations, and investment credits particularly to urban sector. The significance of leadership transition is also manifested by the case study in this research. The traditional relationships between cities and districts have been gradually changed towards a direction that the districts are endowed larger decision-making power than before. Districts governments once played a peripheral role in the socialism era with limited resources and administrative power. Since early 1990s, the urban districts started to gain control in managing local revenue and land, as well as administrative capacities such as planning and public work maintenance. Not only in large metropolitans like

Shanghai and Beijing, the evidence of Bengbu also finds a strong role that the district government plays in local development. Under a hierarchical political system in which local officials are not elected by affected residents but appointed by senior government, the top-level cadres in a locality decisively influence the development direction of this region. That is to say, to some extent, the later prospects for local development are in the hands of a few political elites. The direct result is what Zhang (2002, p. 494) argues, “the appointment and promotion system causes all officials to ‘look up’ to the desires of higher level government rather than ‘looking down’ to needs of community residents because residents do not have the election power as they do in the US”.

In economic terms, the location of new development, specialization of land use, as well as the size of district can all make an impact on the government revenue, the profitability of firms, and the provision of goods and services (Schneider, Chang, & Paulsen, 2015). In the case of Huaishang District, market forces play a decisive role in formulating the local development agenda, developing pro-growth urban governance, and adopting new market strategies to solve financial problems. In this process, district governors have gradually built business partnerships with private entrepreneurs from the industries of real estate, logistics, manufacture, etc. The district government also runs a state-owned company for fundraising, which is not innovative but popular in China nowadays. For example, Bengbu City Investment Group is such a company owned by Bengbu municipal government. According to the agreement, all the financial support to infrastructure construction that the municipality receives is allocated to this company. More important, land and infrastructure construction are allowed to act as a valuable asset to enhance the fundraising capacity of this company. Despite the reality that the GDP of Huaishang has sharply lifted with 28% annual growth rate and more job opportunities have been provided in the past decade, it should be noted that the lofty rhetoric of rural-urban integration could also be reflected on relocating large-scale, state-owned chemical enterprises from central urban to the new district. In addition, a certain amount of rural area has been endowed with urban status, and large-scale rural land including agricultural use and construction use have been transferred to urban construction land for developing industrial parks and

supporting infrastructure projects. On the other hand, however, the low population percentage with urban household registration reflects that the administrative restructuring processes have not brought most of the local people an authorized access to urban service.

6.1.3 Impacts

Since the mid-1980s, the decentralisation of decision-making power along with the diverse resources of investment such as foreign investment, have provided an enabling environment for economic growth. With the new fiscal structure, the strong incentives received by local governments to carry out urban-biased policies have been challenged because the rapid development of China is questioned at expense of the rapid land degradation in quality and quantity, habitat fragmentation, increasing regional disparity, and sustainability challenges (Rozelle, Veeck, & Huang, 1997; Xie, Mei, Tian, & Xing, 2005; Yeh & Li, 1999). In the process of implementing administrative restructuring, land plays a unique and significant role. From both perspectives of qualitative and quantitative, it is difficult to assess if the policy makers achieve their goals through implementation of administrative restructuring and what the impacts upon local stakeholders are. Even though, it does not prevent Chinese cities from adopting this strategy across the country. The case study of Bengbu City is a microcosm of China's hundreds of medium-sized cities that have experienced large-scale administrative restructuring process. The empirical evidence shows that the processes of district restructuring and city-annexing counties in the city of Bengbu have gone beyond spatial reorganisation and physical transformation of built environment. Instead, it has deeply touched upon the entire change to the local development including not only in tangible entity such as land conversion from cultivated to industrial use and large-scale construction of infrastructure, but also in less tangible form such as formation of a new government, economic reconstruction, and environment contamination.

In the discussion of local development in Chinese cities, changes in the administrative systems can be seen as an important institutional force driving different facets in ur-

ban fringe transformation. Several studies have argued that by the early 2000s, development zones (*kaifa qu*) have been gradually replaced by new city (*xincheng*) projects at the urban fringe as seen in the cities of Zhengzhou, Tianjing and Hangzhou (Hsing, 2010; Qian, 2012). A major reason is that massive migrations from rural areas and less-developed regions have resulted in a significant increase in the demand for construction land for residential use. Therefore, in contrast with development zones which are more industrial-oriented, new city project tends to provide a mix-use of land resources such as commercial, residential, cultural, and administrative purposes (Hsing, 2010). However, it should be noted that for the small and medium-sized cities such as Bengbu, the establishment of industrial parks (*gongye yuan*) and development zones (*kaifa qu*) still dominate the main stream of urban fringe development for the city's economic growth. A consensus has been gradually reached among local officials that development zones should be enclaves for industries previously locating in the urban core, and new cities should accommodate increasing populations previously living in the city centre (Gu, 2002; Zhou and Ma, 2000). Since there have been limited migrant workers floating to small- and medium-sized cities compared with large and mega cities, the evidence in Bengbu is in accordance with national trend. Moreover, considering the most of urban fringe area is developed from counties, it should be recognized that it is administrative restructuring that made the establishment of industrial parks and new city project develop smoothly.

6.2 The formation of a pro-growth coalition

The pro-growth coalition initially stems from Western theories, suggesting that the governing coalition of a city can be built by local government and private business groups (Molotch 1976; Stone, 1993). In his research investigating if there is a pro-growth coalition in a socialist society, Zhang (2002) argues that a distinguished phenomenon in China lies in various types and levels of governments in Chinese cities. The fact that public sector or marketplace dominantly controls resource allocation eventually decides if local government has to work with the private sector in a city's governance. Moreover, in such cities as Beijing and Shanghai where both public and

private sectors have been well developed, the power of governance is moving toward balance between the two.

Reviewing Huaishang District's development, it seems that the two adjustments have gradually produced a pro-growth coalition in which the municipal government initiated, the district government led, and the private sector joined. Behind the decisions of administrative restructuring, there are multiple purposes and motivations. To city leaders, the motivation was to correspond to the higher administrative level leaders, to release more land for urban development at the municipal level, as well as to relocate heavy polluted industries from urban core to newly established district. In China, municipal governors with remarkable performance are likely to gain a higher status in the political system. Two Bengbu government leaders serving in 2004 and 2012, Fang Ping and Chen Qi-tao (both were party secretaries), have been promoted to positions at the provincial level. To municipal government, agricultural production and food security become gradually less a responsibility compared to economic growth in the market economy (Zhang, 2000). Therefore, to break the development constraint produced by limited land, urban boundary expansion by annexing neighboring counties was adopted twice in 2004 and 2014. Meanwhile, the traditional Suburban District was significantly detached into four parts, and a new urban district was established. According to the National New Urbanisation Plan (2014-2020) unveiled by the State Council in March 2014, new urban districts should be established on scientific standards with considerations on the scale and structure of other districts within the same municipality. However, the official document – China Urban Districts Establishment Standards, issued by the Ministry of Civil Affairs in October 2014, only take population, economic development, and geographical size as three important references (Xu, 2015).

Like many other Chinese cities, the development path of Bengbu City is shaped by the local government rather than a central authority – determined industrial pattern. First-hand data used in this study was mainly collected at the municipal and district level. Eight government officials and planners provided insights on the motivations and means of administrative restructuring in Bengbu City and Huaishang District in particular. At the district level, the motivations of administrative restructuring process

penetrated into the establishment/redevelopment of a new district. To district cadres, the motivation was to promote industrial transformation, to enhance local economic growth, and to brand the new district. Although Bengbu City government has played a leading role in reconfiguring the city's spatial patterns, district cadres acted as a major player in creating local pro-growth coalition. Since land resources in urban and suburban places can generate fiscal revenue to fuel local development, a rapid agricultural land to urban construction land transformation occurred along with administrative restructuring processes. Compared to other urban districts located in the city core, the new Huaishang District dominated the majority of land supply, and as a result, produced significantly increased fiscal income.

When the state attempted to shift the main growth engine of this new district to secondary industry and real estate development, non-state sectors responded accordingly and proactively. Build-Transfer (BT) and Build-Operate-Transfer (BOT), the two new project-financing modes, were adopted as important approaches to relieve Chinese government's budgetary pressure and finance infrastructure construction and development during China's rapid urbanisation process. Bengbu is no exception. In Huaishang District, government buildings, roads, water supply, and sewerage system were all financially supported by PPP. The significance of PPP lies in that this joint investments and long-term relationships are expected to benefit both public and private sectors because either of them could hardly achieve all the objectives (Brewer & Hayllar, 2005). For private sectors, the main motivation is to maximize their economic profits and investment returns on a long-term basis. Since PPP encourage the cooperation among different parities, private sector participants may seek for more business opportunities in the implementation process. However, due to unclear risk allocation, weak supervision, and the lack of a legal framework for implementation, the results of PPP vary from case to case (Ke, 2014; Y. Zhao, 2015). Moreover, it is very likely to overlook the general public because local governors tend to make decisions based on their own judgments and preferences (Ke, Wang, & Chan, 2012).

6.3 The relationship between administrative restructuring and urban planning

To achieve better control, China has implemented various categories of urban planning, from regional level (city region plan and urban system plan), city level (master plan), and district level (city district plan), to local level (detailed development control and detailed construction plan) and site-specific occasions (Central People's Government, 2007). There is a tight relationship between urban planning and administrative restructuring because the formation and authorization of plans track a top-down approach which complies with the hierarchical administrative system. In recent years, as a result of local municipalities being approved a greater capacity to promote local economic development, new types of planning are emerging such as concept plan and strategic plan, focusing on urban development, land use, and local competitiveness (Yeh, Xu, & Liu, 2012; P. Zhao, 2015). The popularity of strategic planning since the late 1990s has been tightly linked to administrative restructuring, which is seen as an important instrument to react to the upcoming opportunities. Based on a case study of Ordos, Wang and Liu (2016) advise urban planning, by issuing spatial arrangement and industrial policies, significantly promotes administrative restructuring in Chinese inland cities. Zhang and Wu (2006) also argue that many city governments adopt strategic plans in order to reduce the hurdles for the adjustment of administrative territory. Conversely, it is believed that administrative restructuring would also facilitate urban planning process and rural-urban integration (Ma, 2005).

The evidence presented in the empirical finding of Bengbu City supports the idea that administrative restructuring and urban planning are mutually influenced and justified by each other (table 8). Urban planning has been intertwined with property-led (re)development in which process new urban spaces such as industrial parks and real estates development for commercial and residential use have been created (Liu, Yin, & Ma, 2012). Although there is no quantitative information that can be accessed in Huaishang district, the direct observations and interviews show that the implementation of the property-led development heavily relies on administrative restructuring handed down by local government. Clearly, ambitious urban planning signals future administrative adjustment; existing administrative adjustment, in turn, boosts and

fuels future urban planning. Together, they conjure up highly visible accomplishment including infrastructure construction and investment attraction in the affected area.

Stages	Events
Administrative re-structuring	In January 2004, the State Council approved the first administrative adjustment of Bengbu City –districts restructuring and annexation of part of suburban counties. In particular, a new district named Huaishang was established in the north of city.
	Between March 2013 and April 2014, Anhui provincial government agreed to place two towns under administration of urban districts in Bengbu City. In particular, Mohekou Town was annexed by Huaishang District.
Planning	In Bengbu City Master Plan (2008-2020) which was initiated in 2003, an ‘exit from urban and enter park (<i>tui shi jin yuan</i>)’ plan on chemical enterprises’ relocation was clearly put forward. Mohekou industrial park was arranged as the potential relocation site for several state-owned chemical enterprises sited in city center.
	In 2003, Anhui provincial government suggested that Bengbu should be developed as the central city in Northern Anhui. Later on, Huaishang District was positioned as a sub-centre in the city of Bengbu by the municipal government, supporting agricultural production, industrial development, and residential living.
	In March 2014, Mohekou Town in Huaishang District suggested a ‘four-in-one (<i>si wei yi ti</i>)’ strategic planning, aiming to develop the chemical industry in the east, to reserve land for residential and public use in the west, to promote commercial district in the south, and to encourage agricultural production in the north.
Infrastructure construction and investment attraction	Since 2004, several large-scale and heavily polluted state-owned chemical enterprises have been relocated to Huaishang District, including COFCO and BBKA industrial sites.
	Two bridges have been built in the past decade and the fourth bridge will be completed in the end of 2016. Moreover, the first tunnel will be built soon according to the government plan.
	In the year of 2013, Huaishang District attracted investment RMB 7 billion (US\$ 1.05billion) including RMB 710.4million (US\$106.73 million) foreign direct investment.

Table 8. Stages and key events of Huaishang District construction
Source: compiled based on official documents and interviews

Chapter 7. CONCLUSION

Research on urban development in China is today increasingly complicated, which is not simply because “the urban has been superseded as a level of analysis and social struggle” (Brenner, 2000), but also because this phenomenal process combines both strong Chinese characteristics and those strategies developed by their Western coun-

terparts. Taking Bengbu City as an example, this research attempts to develop a comprehensive analytical framework, which includes the institutional arrangement, pro-growth urban governance theories, as well as the scale perspective, to facilitate the understanding of China's administrative restructuring.

As an important part of formal institutional arrangement in China, the administrative system has experienced significant changes during the past two decades. The modifications do not lie in the hierarchical skeleton of the system itself but are centered on how the central state continues to reset the definition and standard of different administrative level as the rules of the game, and how the local governments utilize administrative restructuring as an urban governance strategy to fulfil their political and economic purposes as the plays of the game. In particular, the underlying drivers of these changes lie in the interaction among different levels of governments and the interplay between the plan and the market economy. Although the State Council has started allowing public participation at lower levels of policymaking, and bottom-up forces have developed such as the growth of civil society and the appearance of the middle class (P. Zhao, 2015), public hearings on administrative issues and their real impacts on policymaking are still indecipherable. This study has shown that the institutional rearrangement, represented by the administrative restructuring in Bengbu City, served as a technical tool for shifting the development of suburban area from agriculture-dominated industrial structure into one led by the secondary and tertiary industries. The employment structure also changed accordingly. However, the whole process barely permitted the public to get involve in.

Urban governance in general is thought to be full of power relations, diverse interests, and underlying conflicts. Based on a combination of data sources, including documentation, archival records, interviews, and direct observations, it is found that the two adjustments processed in Bengbu have provided a series of interrelated chances for local governments to reach their economic and political goals set by themselves. Reviewing Huaishang District's establishment and development, administrative restructuring through reorganising urban districts and annexing part of surrounding counties have gradually produced a pro-growth coalition in which the municipal government initiated, the district government led, and the private sector joined. Com-

pared to Western theories such as growth machine and urban regime where the central government barely engages in local issues, in-depth interviews with important local officials in this study show that the role of central state remains crucial in providing directives for local economic and urban development. However, under the fiscal pressure and driven by profit motive, municipal and district governments have eventually shifted its primary role from a public goods provider to a major pro-growth coalition builder and player. In particular, under the pressure of fund cutting from Bengbu municipal government, Huaishang District has actively sought for and heavily relied on building public-private partnerships in order to solve budget constraints. This brings about another distinguish feature of state in China which is the multi-layer governments at the local level. As argued by Zhang (2002), the central government may still possess the direct power over the sub-national governments on political issues, but it can no longer maintain the power over different stakeholders on local economic affairs. On the other hand, this reconfigured relationship has empowered the local governments to ensure its discretion over resources for urban growth and control over local urban transformation.

From the scale perspective, the evidence of Bengbu City echoes with Ma's (2005) argument that a downward shift in the scale of operation focused on Chinese cities has eventually replaced the national scale. Except for county-level cities, cities at or above prefecture-level as a particular type of scale have direct power to establish and rearrange urban districts with authorization from the central state or the provincial government. As a prefecture-level city, Bengbu municipal government has exercised their power over those districts and counties under its control. Without counties being vertically upgraded to a higher administrative status, Bengbu City has adopted a scaling up strategy which was a substantial and extensive horizontal territorialisation process characterized by the districts restructuring and the expansion in urban area. However, in both cases of administrative system and urban-rural divide, the complexity presented in the newly established Huaishang District is that the scaling up process has imposed revolutionary impacts on affected residents, land use, economic conditions, governments and party appointments. It has been manifested in following ways: annexing part of surrounding counties retitled a large number of populations

from rural to urban habitants; land was being rapidly converted from rural uses to urban uses; local development was shifted from an agricultural-based economy to a profit-driven economy composing of both secondary and tertiary industries; district governments were authorized with more decision making power; party-appointment was rearranged to an urban-oriented leadership strategy. Application of the scale perspective facilitates to answer why the city level and the urban part continues to be important scales for studying the interaction of demographic, economic, social, and political changes in the process of administrative restructuring.

Listed as an important industrial city by the central state and allocated many heavy industry projects in the late 1970s, Bengbu is nowadays seen as a less-developed city at provincial and national level due to the lack of capacity and flexibility in response to marketization and decentralization. The evidence from this study suggests that the primary motivation behind the government-led administrative restructuring processes lies in an urgent need to promote economic growth in the edge area between urban and rural, as well as to remove the barriers for urban development as a whole. During this process, the urban-rural integration, or the so-called functional integration of the peripheral area into urban core can be manifested in a series of ways such as appointing urban officials in the previous rural area, introducing market mechanism to tackle economic problems, and encouraging local dwellers to work from primary industry to the secondary and tertiary industry. Statistically, the economic growth of Huaishang District is astonishing. In addition to a significant increase in fiscal income and investment attraction, the annual growth rate of GDP from 2004 to 2014 is 28%, which is much higher than municipal and national data. However, it is important to bear in mind that the different natures of the three industrial sectors also account for the surge in GDP growth. On the other hand, it should be noted that the lofty rhetoric of urban-rural integration is also reflected in relocating large-scale state-owned chemical enterprises from central urban to the new district and degrading cultivated land for inefficient urban construction use.

The relationship between urban planning and administrative restructuring in China is not generally recognized in the literature. The evidence of Bengbu indicates that the work of urban planning and progress of administrative restructuring have been mutu-

ally responsive, characterized by the fact that specific development projects which were signaled by the planning documents have been eventually achieved in the process of administrative restructuring, and in turn, it reinforced the next round of planning. As such developments are rarely coordinated, they have degraded land use efficiency, forced the relocation of affected residents, and triggered conflicts over social and environmental issues. The needs of the local habitants were largely ignored and bottom-up voice could be hardly heard in the decision making process. The story of the newly established urban district in Bengbu also resonates with what characterizes most of the urban peripheries in contemporary Chinese cities – a juxtaposition of agricultural, industrial, and residential activities. In the coastal areas with more development opportunities, massive rural-urban migration and rapid commercial and industrial development have put more pressures on the demand for urban construction land in the city periphery. Notably, although many cities in China have not made such spectacular achievements in economic growth and industrialization as their coastal counterparts, the same rampant urban expansion has also occurred, in which process territorial expansion becomes a major facilitator and enabler.

In the post-reform era, various types of administrative restructuring have been progressively introduced in China such as city administering counties, county to city upgrading, annexation of suburban counties, and urban districts reconfiguration. During the past two decades, the last three categories (county to city upgrading, annexation of suburban counties, urban districts reconfiguration) have been widely adopted. This spectacular restructuring process has ignited the debate of social scientist, and researchers like Ma (2002, 2004, 2005), Chien (2010, 2013), and Cartier (2005, 2015, 2016) have drawn heavily from the experiences of mostly large cities in economically advanced regions. Compared to major cities in the Yangtze River Delta and Pearl River Delta where the ratio of new urban area to original urban area could be as high as at least five times such as Changzhou, Hangzhou, and Foshan, the ratio in Bengbu city is two times which is less astonishing. In spite of that, important implications for the field of knowledge are put forward. First, regardless of the development categories of cities and which specific strategies are implemented, the process of administrative restructuring shows that marketization in China has granted local government

with more decision-making power and reduced state control of local economy and society. In this process, various administrative changes articulate the reliance on market mechanisms in place marketing, land-use planning, and image building. The significance in the coastal-interior divide lies in the fact that the urban territorial expansion in coastal cities is more likely associated with globalization impacts such as foreign direct investment while interior cities like Bengbu is more restricted and influenced by internal forces. Second, although the power of the state in China has never faded, power dynamics between central and local governments vary from region to region. Compared with those economically developed regions where administrative restructuring has been seen as a direct response to central government project, the impact of the central state on Bengbu is more ideological through providing broad guidelines than tangible by the means of direct intervention. The similarity can be found in the fact that urban district, as an administrative unit and a scale level, has played an increasingly important role in most Chinese cities during administrative restructuring process. Although party appointment and cadre promotion at the district level remain under the control of municipal government as a result of solidifying political legitimacy, district governments have been given considerable latitude in managing local resources and shaping local development. On the other hand, the empirical finding of Bengbu is different from economically advanced region with regards to the disagreements among local governments. The evidence of Bengbu tends to be more agreeable whilst the other group experiences more intense conflicts and competitions, which could be partly explained by the different extents to which administrative system lags behind economic reform in different regions.

What the future holds for Huaishang District and Bengbu City will be determined jointly by what type of policy orientation will dominate in the future –if economic growth will still be the priority, by what the local government will do to deal with the critical problems in the urban development –if the interests of plural groups can be fairly considered, and by which process of policy design and implementation will eventually evolve into –if bottom-up voice can be heard in the decision making process. Considering the extensive industrial development in a newly established district is at the cost of destroying the place-specific locational advantage, an important im-

plication of this study is that for other regions which may have the similar development constraints that Bengbu City faced more than ten years ago, if there is an alternative approach to tackle these problems. As reminded by Ma (2002) and Wei (2012), industrial growth should not be the only path that Chinese cities have pursued for reaching a more vibrant local economy, which makes Chinese cities are broadly similar to each other. Local endogenous resources, which are the agricultural base and beneficial transportation system in this case study, should be practically respected.

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Appendix 1

Recent studies on China's administrative divisions adjustment

Paper/author(s)	Related findings	Key arguments
Administrative changes and urban population in China (Ma & Cui, 1987)	<p>1. "China's economic reforms since 1979 have clearly emphasised the role of the cities, which are seen not only as the centres of production but also as the hubs of regional economics."(p.393)</p> <p>2. "The aggregate population of the officially designated cities and towns, which has been widely used in China and elsewhere as an indicator of China's urbanisation level, should no longer be used because of changes after 1979 in the designation of urban areas." (p.373)</p>	<p>1. "The post-1979 urban administrative changes that have resulted in the addition of an enormously large proportion of agricultural population to the aggregate population of the designated cities and towns. The use of this aggregate population as a measure of China's urbanisation tends to exaggerate the real level of urbanisation." (p.394)</p> <p>2. "As such, the nonagricultural population of the designated cities and towns is a more appropriate indicator of China's urbanisation level." (p.394)</p>
China's city hierarchy, urban policy and spatial development in the 1980s (Chen, 1991)	<p>1. "Nationally, the city hierarchy has been marked by accelerating urbanisation: both the proportion of urban population and the number of cities more than doubles in the 1980s."(p.360)</p> <p>2. "Faster growth of the medium-sized and small cities helped balance the city hierarchy further. In addition, the speedy and extensive development of towns was a driving force behind urbanisation." (360)</p>	<p>1. "The growth of cities and towns in various size categories reflects the influence of urban policy in reshaping China's urban hierarchy." (p.341)</p> <p>2. "There is a growing discrepancy in socioeconomic development between inland and coastal cities that is consistent with the recent policy of favouring the coastal economy." (p.341)</p>

<p>The growth and structural change of Chinese cities: a contextual and geographic analysis (Lin, 2002)</p>	<ol style="list-style-type: none"> 1. "In line with the demise of the Maoist regime in the late 1970s, market reforms and relaxation of state control over local development have allowed a large number of small cities and towns to flourish on the basis on bottom-up rural transformative development." (p.313) 2. "Although small cities have played a growing role in the absorption of population and land development, large cities have remained the most efficient and productive economic centres for capital investment and production." (p.313) 	<ol style="list-style-type: none"> 1. "China's urban development since the economic reform has been the direct outcome of national political strategizing, state articulation ad reconfiguration, and shifts in global capital accumulation." (p.299) 2. "Large and extra-large cities remain the centres of capital investment and production, although small cities have taken up a growing share of the urban population. This pattern is distinct from the norm in many market economies of the West, where the concentration of economic activities and population often go together." (p.314)
<p>Urban transformation in China, 1949-2000: a review and research agenda (Ma, 2002)</p>	<ol style="list-style-type: none"> 1. "Among the many facets of urban transformation since 1978 are a more heterogeneous urban population, rural-urban migration, spatial reorganization through urban land-use change, new housing development, globalization, suburbanisation, polycentric restructuring of urban form, and changes in the spatial/administrative systems of cities." (p.545) 2. "The central role that the Party-state has played in affecting the process and outcomes of urbanisation and urbanism. Despite globalisation of production and the intrusion of market forces, the basic system of political control in China remains intact." (p.563) 	<ol style="list-style-type: none"> 1. "The continuously powerful and multiple roles of the Party-state as the ultimate decision maker, regulator, and participant in the urban economy should be emphasized, despite globalization and decentralization of administrative and fiscal powers from the central to local levels." (p.545) 2. "More general theories of urban transformation which are applicable to a number of former socialist nations, and which transcend the idiosyncrasies of individual countries, should be developed where possible." (p.545)

Economic reforms, urban spatial restructuring, and planning in China (Ma, 2004)	<p>1. “The power of the state in China has never declined; it has simply been rescaled in favour of the local units. This rescaling of power has significantly enhanced the capability of the local state to shape local events.” (p.238)</p> <p>2. “China’s urban spatial transformation in the last two decades has been centred on and fuelled by the development of urban real estate whose development can generate significant amount of immediate and long-term incomes for selected interest groups.” (p.257)</p>	<p>1. “In general, China’s urban planning work far has been essentially reactive, characterised by planners responding to the exigencies of specific development projects dictated by the financially and political powerful interest groups.” (p.257)</p> <p>2. “As such developments are rarely coordinated, they have contributed to serious urban sprawl, haphazard land use patterns and forced the displacement and relocation of hundreds of thousands of unhappy residents per year.” (p.257)</p>
City-space: scale relations and China’s spatial administrative hierarchy (Cartier, 2005)	<p>1. “The categories and rank orders are a dynamic territorial system, periodically altered by the state to meet diverse political and economic goals, which means that the Chinese space economy is an actively scaled territorial mosaic whose dialectical interrelations the state seeks to manage in order to spur economic development while simultaneously maintaining political control.” (p.25)</p> <p>2. “Scale relations, as a theoretical project and methodology, focus on interrelations between multiple-scale positions and resources that circulate through them, and thus spatialize the state-territorial dynamic, ultimately revealing the complex spatial processes propelling transformative change in contemporary China.” (p.21)</p>	<p>1. “In the context of globalization and scale relations, the city, especially at the scale of the metropolitan region, is the spatial territory and unit of economic analysis most suited to the interaction of political, social and economic processes in an era of globalization. Thus, scale is a conceptual means of geographical differentiation, a system of state administration represented by the administrative hierarchy, and a set of processes by which the local state, in its urban and regional capacities, organizes political power, society, and economy.” (p.30)</p>
Local state and administrative urbanisation in	<p>1. “The paper sheds light on the processes of urban transformation in Hebi, a medium-sized inland city in Henan province, emphasizing the</p>	<p>1. “In the model of administrative urbanisation, the local state uses the enormous administrative and fiscal powers granted by the central</p>

post-reform China: A case study of Hebi City, Henan Province (Liu, Yin, &Ma, 2012)	<p>critical role that the local state has played in city-making, the mechanisms and processes of change, and the resultant impacts on the city.” (p.107)</p> <p>2. “The implementation of these policies and measures relied heavily on administrative orders handed down through the highly heavily on administrative/spatial hierarchy of the local party-state. From this perspective, the Chinese model of urbanisation described in this study can be characterized as “administrative urbanisation” that has given rise to new urban economic and social structures and new spatial orders in different Chinese cities.” (p.116)</p>	<p>state to reach to desired goals it sets for itself. The goals almost invariably reflect the central state’s guidelines for national economic and social development. Through a series of local policies and institutional arrangement, the local state strives to attain the goals of local economic and urban development.” (p.116)</p>
Post-reform urban restructuring in China: the case of Hangzhou 1990-2010 (Qian, 2012)	<p>1. “Urban restructuring in Hangzhou has not only been a spatial process but an opportunity to strengthen the capacity of local urban governance. Rather than declining, state power has been reconfigured to enhance the power of local states to shape local urban transformation.” (p. 450)</p> <p>2. “Mega-scale urban development initiatives like development zones and New City have allowed Hangzhou’s administrative bureaucracy to be transformed into localised entrepreneurial governance in service of the city’s urban growth ambitions.” (p. 450)</p>	<p>1. “The vertical power relationship between local governments and the central state and the various horizontal relationships between local state and non-state actors mean that urban restructuring in Chinese cities is by no means driven purely by the market force, but rather, by the deeply entangled forces from both the state and the market.” (p. 450)</p>

Restructuring for growth in urban China: Transitional institutions, urban development, and spatial transformation (Wei, 2012)	<p>1. “Land development has become a central component of urban policies. Urban planning has become a tool to rationalize urban expansion and obtain land development quotas from the central government. Rescaling has been used as a tool to increase urban administrative areas and provides more land resources for urban development. State institutions not only direct the land development process, but also lead large-scale land development projects.” (p.404)</p> <p>2. “Moreover, as evidenced in Hangzhou, urban policies in Chinese cities are unstable or transitional, featured by the restless changes of administrative boundaries, endless revisions of urban master plans, and shifting city leaders’ development objectives, which has made urban planning a highly challenging task in Chinese cities.” (p.404)</p>	<p>1. “China’s urban policies are state institution- directed, growth-oriented, and land-based, imposing unprecedented challenges to sustainability and livability. Land development and spatial restructuring are central to urban policies in China. Last, while Hangzhou’s development strategies and policies to some extent reflect policy convergence across cities in China, local/spatial contexts, including local settings, territorial rescaling and land conditions, are underlying the functioning of development/entrepreneurial states.” (p.396)</p>
New local state power through administrative restructuring –A case study of post-Mao China county-level urban entrepreneurialism in Kunshan (Chien, 2013)	<p>1. “Kunshan’s successful urban entrepreneurialism presents a unique ‘mismatch’ between ‘low’ administrative rank and ‘great’ economic performance.” (p.103)</p> <p>2. “The case of Kunshan shows that Chinese cities are now becoming innovative in the administrative system. By doing so, more new state powers are better institutionalized and endorsed by upper-level governments. The central and provincial governments also play a crucial role in administrative restructuring to facilitate the transformation of county-level urban entrepreneurialism.” (p.110)</p>	<p>1. “Kunshan has developed several new local state powers through flexible administrative restructuring that explains the ‘mismatch’ puzzle and includes the following characteristics: (1) reclassification of Kunshan from county to county-level city, (2) relational adjustment by officially or informally raising Kunshan’s place rank and the cadre rank, and (3) boundary revision by virtual enclave enlargement.” (p.103)</p>

<p>Administrative hierarchy and urban land expansion in transitional China (Li, Wei, Liao, and Huang, 2015)</p>	<p>1. “Urban expansion in China is driven by mixed drivers including economic transition, local state effort, economic and population growth. High-level cities’ urban expansion in China is more likely associated with FDI, characterizing the significant impact of economic globalisation on urban expansion in these cities.” (p.185)</p> <p>2. “As land use decision-making becomes a central issue of china, the hierarchy of Chinese cities tends to reinforce the inequalities in land development and cause more tensions between different levels of cities.” (p.185)</p>	<p>1. “Urban land expansion coincides with administrative hierarchy, and cities with higher administrative levels (ranked by central government) tend to expand more rapidly while controlling for other economic and demographic drivers of urban expansion.” (p.177)</p>
<p>Territorial urbanisation and the party-state in China (Cartier, 2015)</p>	<p>1. “Pudong and other strategic economic areas are administrative territories produced by state reterritorialization to engender new political-economic arrangements, demonstrating general process and specific instances of incremental territorial administrative change.” (p.314)</p> <p>2. “The common absence of analysis of the administrative divisions in the literature reflects non-transparent conditions of information, and lack of comparative theoretical baseline.” (p.315)</p>	<p>1. “Changing the administrative divisions is a common, periodic condition of the Chinese state system. Because the territorial administrative system is also the geographical basis of citizenship and government, the Party appointments, administrative division adjustment co-involves multiple conditions and variables.” (p.315)</p>

Appendix 2

Overview of main interviewees in the fieldwork

Name of institutions interviewed	Key Informant	Date
Bengbu Municipal Government	Vice Mayor	25032014
Publicity Department in Huaishang District	Minister	06022015(1)
CPPCC (the Chinese People's Political Consultative Conference) in Huaishang District	Secretary General	06022015(2)
Statistic Department in Huaishang District	Staff	06022015(3)
CPPCC (the Chinese People's Political Consultative Conference) in Bengbu Municipality	Chairman (First Term Secretary of Huaishang District)	10022015
Bengbu Green Garden Company 蚌埠万绿园林公司	Vice General Manager	22062015(1)
Bengbu Green Garden Company 蚌埠万绿园林公司	Accountant	22062015(2)
Anhui Xuelang Biological Technologies Inc. 安徽雪郎生物科技股份有限公司	Vice General Manager	25062015(1)
Anhui Xuelang Biological Technologies Inc. 安徽雪郎生物科技股份有限公司	Sales Manager	25062015(2)
Bengbu Municipal Planning Bureau	Planner	02092015(1)
Bengbu Municipal Planning Bureau	Planner	02092015(2)
Lvcheng Chunjiang Mingyue Real Estate Company (in the form of questionnaire) 绿城春江明月	General Manager	19092015
Mingzhu Guangchang Phoenix Real Estate Company (in the form of questionnaire) 明珠广场凤凰城	General Manager	19092015
Bengbu Guogou Guangchang Real Estate Company (in the form of questionnaire)	General Manager	19092015

form of questionnaire) 蚌埠国购广场		
Bengbu Guogou Guangchang Real Estate Company (in the form of questionnaire) 蚌埠国购广场	Vice General Manager	19092015
Zhongheng Bengbu Yiwu International Commercial Complex (in the form of questionnaire) 中恒蚌埠义务国际商贸城	General Manager	19092015
Lijin Tiancheng Xianlinyuan Real Estate Company (in the form of questionnaire) 丽景天成仙林苑	General Manager	19092015
Lijin Tiancheng Xianlinyuan Real Estate Company (in the form of questionnaire) 丽景天成仙林苑	Vice General Manager	19092015
Lijin Tiancheng Xianlinyuan Real Estate Company (in the form of questionnaire) 丽景天成仙林苑	Office Director	19092015
Lijin Tiancheng Xianlinyuan Real Estate Company (in the form of questionnaire) 丽景天成仙林苑	Office Vice Director	19092015
Shanghe Time Real Estate Company (in the form of questionnaire) 上河时代	General Manager	19092015